



**National League
of Cities**

**Affordable Housing Finance Resources:
*A Primer***



**Strengthening Partnerships
for Housing Opportunities**

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Introduction**From the Executive Director of
the National League of Cities**

The National League of Cities (NLC) believes every person has the right to have safe, decent, and affordable housing. Local leaders are continually seeking to be informed about opportunities and funding available to increase and preserve the housing stock in their communities. This publication is a primer to assist local governments in their pursuit to discover opportunities to achieve their affordable housing goals.

The United States Department of Housing and Urban Development (HUD) administers programs to assist state and local governments with housing development. In this publication, NLC presents a summary overview of the major programs that HUD offers to localities. Some programs, such as, public housing and Community Development Block Grants (CDBG), have been in existence for many years. However, the HOME program and funding for programs for the homeless were legislated more recently. The inception of the latter programs opened the door for local governments to receive valuable assistance in the provision of affordable housing for their communities. Indeed, the HOME program is the only formula grant program dedicated solely to the production and provision of affordable housing. This program has also created linkages for local officials to join community-based non-profits and private industries to leverage resources for the development and preservation of affordable housing.

The United States Department of Agriculture through the Rural Housing Service (RHS) has various programs available to aid in the development of rural America. RHS programs guarantees loans made by eligible lenders for single family housing, multi-family housing and community facility projects. The direct rural housing programs provide subsidy for home ownership, rental housing, home repairs, and rehabilitation. In addition, RHS also has two unsubsidized loan guarantee programs.

Over time, foundations and other grant-making institutions have joined with cities to address community housing needs. This publication presents a sampling of those national foundations that have partnered with cities to successfully generate more housing initiatives. Also listed in this publication, is an extensive list of national organizations involved in housing and community development.

Donald J. Borut
Executive Director
National League of Cities

About this Publication

This publication is organized in four sections for ease of use for the reader. The first section provides program overview and objectives, eligibility requirements and contact information for the affordable housing programs within HUD that are available to local governments and their communities. However, it does not include all of the provisions and other requirements for these programs. The website for HUD, *www.hud.gov*, is an excellent resource to gather additional information about the various programs within the agency.

The second section provides information on Rural Housing Service Programs available through the United States Department of Agriculture. The Rural Housing Service offers a number of housing and community programs such as homeownership opportunities for rural Americans as well as programs for home improvement. In addition, Rural Housing Service makes financing available to elderly, disabled, or low-income residents of multi-unit housing buildings to ensure they are able to make rent payments. To determine eligibility for these and other Rural Housing programs, you must contact your local or state rural development office.

The third section describes foundations and award programs that fund affordable housing initiatives. The foundations presented were selected based on their history of engagement with local governments and communities that support affordable housing. Thus, this listing is not meant to be an endorsement of any of the foundations. For additional assistance, you may contact the foundation directly, which is listed in this section. Finally, the fourth section is a listing of national housing and community development organizations that offer additional information and resources to the reader.

It is our hope that this publication will serve as a reliable and valuable resource for local elected officials, housing professionals, community leaders and others who are interested in developing safe, decent and affordable housing in their communities.

Acknowledgments

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All information about affordable housing programs with the U.S. Department of Housing and Urban Development (HUD) was extracted from HUD program booklets, documents, website, and communications with HUD staff. The same is true of the information pertaining to the Rural Housing Service Programs by the U.S. Department of Agriculture, along with the foundations and grant award programs.

Section 1: Affordable Housing Programs Funded by HUD

■ Core Housing Programs

Community Development Block Grant

Program Objective: To develop vital communities by providing decent housing principally for persons of low and moderate income.

Principle eligible activities:

- Neighborhood revitalization
- Economic development
- Improved community facilities
- Infrastructure improvements
- Affordable housing

Program Start Date: Title I of the Housing and Community Development Act of 1974

Types of Aid and Recipients:

- “Entitlement Communities” receive direct funding.
- Non-metropolitan cities apply to state for use of funds on a project by project basis.

Contact Information:

HUD field office for each state or the agency that administers the program in each state, or visit www.hud.gov.

■ Core Housing Programs

HOME Investment Partnerships

Program Objectives

- To expand the supply of affordable housing, particularly rental housing for low and very low-income Americans.
- To strengthen the abilities of state and local governments to design and implement strategies for achieving adequate supplies of decent, affordable housing.
- To provide both financial and technical assistance to participating jurisdictions, including the development of model programs for developing affordable low-income housing.
- To extend and strengthen partnerships among all levels of government and the private sector, including for-profit and non-profit organizations, in the production and operation of affordable housing.

Program Start Date: National Affordable Housing Act, Title II, 1990

Types of Aid and Recipients: States, cities, urban counties, and consortia (of contiguous units of general local governments with a binding agreement) are eligible to receive formula allocations as determined by HUD.

Other: HOME funds can be used for hous-

ing within four basic program types:

1. Homebuyer assistance;
2. Rehabilitation for owner-occupants;
3. Rental housing acquisition, rehabilitation, and construction; and
4. Tenant-based rental assistance.

Within the four areas, there are four specific eligible activities:

1. Acquisition of property, including down payment and closing cost assistance;
2. Rehabilitation, including conversion and reconstruction;
3. New Construction; and
4. Tenant-based rental assistance including security deposit assistance.

Contact Information:

HUD, Department of Community
Planning and Development
Phone (202)708-2685

or <http://www.hud.gov/offices/cpd/affordablehousing/index>

■ Core Housing Programs

Homeless Assistance Grants

Program Objectives:

- To provide major rehabilitation or conversion of buildings for use as emergency shelter or transitional housing for people experiencing homelessness.
- To provide rental assistance to people experiencing homelessness.
- To provide rental assistance, together with supportive services funded from a source other than this program, to homeless people with disabilities.
- To finance transitional housing, permanent supportive housing, supportive services, innovative and alternative housing, and safe havens for homeless people.

Program Start Date: Stewart B. McKinney Homeless Assistance Act in 1987

Types of Aid and Recipients:

- *Emergency Shelter Grants (ESG)* – funds are granted on a formula basis to states and communities.
- *Section 8 Moderate Rehabilitation for Single Room Occupancy Dwellings for Homeless Individuals (SRO)* – new funds are awarded on a competitive basis to public housing authorities and non-profit organizations.
- *Shelter Plus Care (S+C)* – new funds are awarded on a competitive basis to states, communities, public and Indian housing agencies, and non-profit organizations.
- *Supportive Housing Program (SHP)* – new and renewal funds are awarded on a competitive basis to states, communities, and non-profit organizations.

Contact Information:

HUD, Department of Community
Planning and Development
Phone: (202) 708-2470 or www.hud.gov

HUD Community Connections at
1-800-998-9999 or www.comcon.org

■ Core Housing Programs

Public and Indian Housing

Program Objective: To provide decent and safe rental housing for eligible low-income families, the elderly and persons with disabilities.

Program Start Date: Housing Act of 1968 (although federally assisted “public housing” began in the 1930’s)

Types of Aid and Recipients:

- The Capital Fund provides annual formula grants to PHAs for capital and management activities including modernization and development of public housing.
- The Operating Fund provides operating subsidies for PHAs. These subsidies cover expenses including maintenance, utilities, tenant and protective services, and supplement the rents collected.

Contact Information:

HUD, Office of Public and Indian Housing,
(202) 708-1112, 1-800-955-2232
or *www.hud.gov*

■ Core Housing Programs

Section 8 Project Based Rental Assistance

Program Objectives: To encourage property owners to construct new or upgraded substandard rental housing for low-income families.

Program Start Date: Housing and Community Development Act of 1974

Types of Aid and Recipients: States participating in the Community Development Block Grant Program (CDBG) award grants only to units of general local government that carry out development activities. Program is usually administered by Public Housing Authorities.

Contact Information:

HUD, Department of Community Planning and Development
Phone: (202) 708-2470 or www.hud.gov

HUD Community Connections at
1-800-998-9999 or www.comcon.org

Section 8 Tenant Based Vouchers

Program Objectives: To assist very low-income homebuyers by supplementing their monthly payments for housing.

Program Start Date: Housing and Community Development Act of 1974

Types of Aid and Recipients:

- Rental vouchers for housing to very low-income families with incomes not exceeding 50% of median income for area.
- Programs are usually administered by

Public Housing Authorities, which may use 20% of units for project-based assistance.

Contact Information:

HUD, Department of Public and Indian Housing
(202) 708-1112, 1-800-955-2232
or www.hud.gov

■ Homeownership Assistance Program

Federal Housing Administration (FHA)

Program Objective: This program was established to give bankers the security to lend to first-time buyers who might not be able to qualify for conventional loans.

Program Start Date: Established in 1934

Types of Aid and Recipients: The FHA provides private lenders with mort-

gage insurance.

Contact Information:

HUD, FHA office
1-800-569-4287 or *www.hud.gov*

■ Housing Programs for Vulnerable Populations

Housing for the Elderly

Program Objective:

- To provide capital advances to finance the construction, rehabilitation or acquisition of structures that will serve as supportive housing to very-low-income elderly persons.
- To provide rent subsidies for the bridge between HUD approved operation cost for a project and the contribution of elderly tenants.

Program Start Date: Section 202 of the Housing Act of 1959

Types of Aid and Recipients:

- Capital advances for rental housing development and project rental assistance, to non-profit organizations with experience in housing or related social service activities.
- The program is open to very-low-income households with at least one elderly person 62 years of age or older.

Contact Information:

HUD, Department of Community
Planning and Development
Phone: (202) 708-2470 or www.hud.gov

HUD Community Connections at
1-800-998-9999 or www.comcon.org

■ Housing Programs for Vulnerable Populations

Housing Opportunities for Persons with AIDS (HOPWA)

Program Objective: To provide housing and supportive services to persons living with HIV/AIDS.

Program Start Date: AIDS Housing Opportunity Act, 1992

Types of Aid and Recipients:

- Funding is distributed by formula allocation (to areas with the AIDS cases).
- Competitive Grants (to states, local governments and non-profits).
- Housing Information Services for persons with AIDS.
- Resource identification.
- Development and operating costs for housing facilities.
- Rental assistance.
- Short term payments to prevent homelessness.
- Supportive services.
- Technical assistance for community residences.

Contact Information:

HUD, Department of Community Planning and Development

Phone: (202) 708-2470 or *www.hud.gov*

HUD Community Connections at 1-800-998-9999 or *www.comcon.org*

■ Housing Programs for Vulnerable Populations

Housing for Persons with Disabilities (Section 811)

Program Objective: To construct, rehabilitate or acquire structures to be used as housing for persons with disabilities.

HUD, Department of Community Planning and Development
Phone: (202) 708-2470 or www.hud.gov

Program Start Date: National Affordable Housing Act of 1990

HUD Community Connections at
1-800-998-9999 or www.comcon.org

Types of Aid and Recipients:

- Capital advances are made for rental housing development and project rental assistance to private, non-profit organizations.
- Project rental assistance can be used to cover the difference between the HUD-approved operating costs of the project and the tenants' contributions toward rent (30% of adjusted income).

Contact Information:

■ Housing Programs for Vulnerable Populations

Indian/Native American Housing Block Grant

Program Objective: To provide federal assistance to Indian tribes for housing development.

HUD, Office of Native American Programs
(202)401-7914 or www.hud.gov

Program Start Date: Native American Housing Assistance and Self Determination Act of 1996

Types of Aid and Recipients: Funds may be used for the following activities:

- Housing Management Services
- Crime Prevention and Safety Activities
- Housing Development Activities

Contact information:

■ Additional Housing Programs

Drug Elimination Grants for Low-Income Housing

Program Objectives:

- To reduce/eliminate drug-related crime and related problems in and around the premises of federally assisted low-income housing.
- Offers grant funding to encourage owners of low-income housing to develop a plan for addressing the problems of drug-related crime in and around the premises of federally assisted low-income housing.

Program Start Date: Established in 1990 – part of HOPE I

Types of Aid and Recipients: Eligible applicants include owners of the following low-income housing projects: Section 221(d) (3), Section 221(d) (4), or Section 236 of the National Housing Act with project-based assistance.

Contact Information:

HUD, SuperNOFA programs
1-800-483-8929 or www.hud.gov

■ Additional Housing Programs

Empowerment Zones/Enterprise Communities

Program Objectives:

- To promote revitalization of economically distressed areas.
- To provide for the establishment of Empowerment Zones, Enterprise Communities, and Renewal Communities in urban and rural areas.

Contact information:

HUD, Department of Community
Planning and Development
Phone: (202) 708-2470 or *www.hud.gov*

HUD Community Connections at
1-800-998-9999 or *www.comcon.org*

Program Start Date: Omnibus Budget
Reconciliation Act of 1993

Types of Aid and Recipients:

- Competitive Project Grants, based on HUD nominations.
- Stimulus package to communities for the creation of new jobs empowering low-income persons and families receiving public assistance to become economically self-sufficient, particularly for the disadvantaged and long-term unemployed.

■ Additional Housing Programs

Fair Housing Activities

Program Objectives:

- To provide assistance to state and local fair housing enforcement agencies to support complaint processing, training, technical assistance, education and outreach, data and information systems, and other activities that will further fair housing within the agency's jurisdiction.
- To provide the funds to build intergovernmental enforcement efforts to further fair housing and to assist state and local fair housing enforcement agencies to assume a greater share of the responsibility for administering fair housing laws.

Civil Rights Act of 1968 – Fair Housing Act

Types of Aid and Recipients: Federal government oversight of discriminatory practices in financing and housing.

Contact Information:

HUD, Office of Fair Housing and Equal Opportunity Hotline
1-800-424-8590 or www.hud.gov

Program Start Date: Title VIII of the

Housing Counseling Assistance

Program Objective: To provide counsel to homeowners, homebuyers, prospective renters and tenants under HUD, conventional and other government programs in improving their housing conditions and in meeting the responsibilities of tenancy and homeownership.

awards annual grants under this program through a competitive process. An applying agency must be a HUD-approved housing counseling agency, or a national, regional, or multi-state intermediary.

Contact Information:

HUD, FHA office
1-800-569-4287 or www.hud.gov

Program Start Date: Housing and Urban Development Act of 1968

Types of Aid and Recipients: HUD

■ Additional Housing Programs

Lead Hazard Reduction

Program Objective: To assist state, tribal, and local governments in undertaking programs for the identification and control of lead-based paint hazards in privately-owned housing that is owned by or rented to low or very-low-income families.

Program Start Date: Title X of the Housing and Community Development Act of 1992.

Types of Aid and Recipients: Grants

awarded to states and units of general local government for the abatement of significant lead-based paint.

Contact information:

HUD, Department of Community
Planning and Development
Phone: (202) 708-2470 or *www.hud.gov*

HUD Community Connections at
1-800-998-9999 or *www.comcon.org*

■ Additional Housing Programs

Manufactured Home Inspection and Monitoring

Program Objectives:

- To protect the quality, durability, safety and affordability of manufactured homes.
- To facilitate the availability of affordable manufactured homes and to increase home ownership for all Americans.
- To provide for the establishment of practical, uniform, and, to the extent possible, performance-based federal construction standards for manufactured homes.
- To encourage innovative and cost-effective construction techniques for manufactured homes.
- To protect residents of manufactured homes with respect to personal injuries and the amount of insurance costs and property damages in manufactured housing.

Home Construction and Safety Standards, 1976

Types of Aid and Recipients: Either HUD or State Administrative Agencies in 36 States may enforce these standards.

Contact information:

HUD
1-800-927-2891 or *www.hud.gov*

Program Start Date: Manufactured

■ Additional Housing Programs

Revitalization of Severely Distressed Public Housing (HOPE VI)

Program Objective: To enable Public Housing Authorities to improve the living environment for public housing residents of severely distressed public housing projects through the demolition, substantial rehabilitation, reconfiguration, and/or replacement of severely distressed units.

HUD, Office of Public and Indian Housing
1-800-955-2232, or the HUD field office for each state or the agency that administers the program in each state or www.hud.gov

Program Start Date: The National Commission on Severely Distressed Housing – 1992

Types of Aid and Recipients:

- Funds are provided to Public Housing Authorities (PHAs) to cover the capital cost of a project. PHAs use operating subsidies to run the project to completion.
- Any PHA with “severely distressed housing” may apply. PHAs are encouraged to develop sustainable mixed income communities to reduce the concentration of low-income families.

Contact Information:

■ Additional Housing Programs

Rural Housing and Economic Development (RHED)

Program Objectives:

- To provide for capacity building at the state and local level for rural housing and economic development.
- To support innovative housing and economic development activities in rural areas.

Program Start Date: Established in 1999

Types of Aid and Recipients: Pro-

grams may be funded that are administered by local rural non-profit organizations, Native American tribes, community development corporations, state housing finance agencies, and state community development and economic development agencies.

Contact Information:

HUD, Department of Community
Planning and Development
Phone: (202) 708-2470 or www.hud.gov

HUD Community Connections at
1-800-998-9999 or www.comcon.org

Section 2: U.S. Department of Agriculture Rural Housing Service Programs

■ Housing Programs

Farm Labor Housing

Purpose: The Farm Labor Housing Loan and Grants are provided to buy, build, improve, or repair housing for farm laborers, including persons whose income in aquaculture (fish and oyster farms) and those engaged in on-farm processing. Funds can be used to purchase a site or a leasehold interest in a site; to construct housing, day car facilities, or community rooms; to pay fees to purchase durable household furnishing; and to pay construction loan interest.

Eligibility: Loans are made to farmers, associations of farmers, family farm corporations, Indian tribes, nonprofit organizations, public agencies, and associations of farmworkers. Typically, loans applicants are unable to obtain credit elsewhere, but in some instances, farmers able to get credit elsewhere may obtain loans at a rate of interest based on the cost of federal borrowing. Grants are made to farmworkers associations, nonprofit organizations, Indian tribes and public agencies. Funds may be used in urban areas for nearby farm

labor.

Terms: Loans are for 33 years at 1% interest. A grant may cover up to 90% of the development cost for a project.

Approval: The State Director approves loans of up to \$400,000 for on-farm housing upon the RHS national office confirmation that funds are available. Larger loans must receive prior approval from the National Office. The State Director can award grants with the prior approval of the National Office.

Contact Information: Please contact your local or state rural development office or visit http://www.rurdev.usda.gov/recd_map.html

■ Housing Programs

Guaranteed Rental Housing Program

Purpose: The Rural Housing Service (RHS) guarantees loans under the Rural Rental Housing Guaranteed loan program for development of multi-family housing facilities in rural areas of the United States. Loan guarantees are provided for the construction, acquisition, or rehabilitation of rural multi-family housing.

Eligibility: An applicant must be a citizen of the United States or a legally admitted alien for permanent residence in the United States; a nonprofit organization such as a local government, community development group or American Indian tribe, band, group, or nation; or a for-profit corporation. The banks or thrifts that receive loan guarantees must be approved by the Rural Housing Service. To obtain that approval, a lender must be approved to make multifamily housing loans by HUD, Fannie Mae, Freddie Mac, the state or local housing finance agency, or it must be a member of the Federal Home Loan Bank System with demonstrated multifamily housing loan ability. Occupants must be very-low, low- or moderate-income households, elderly, handicapped, or disabled persons with income not in excess of 115% of the area median income.

Terms: The terms of the loans guaranteed may be up to 40 years, and the loans must be fully amortized. Interest rates must be

fixed and must not exceed the rate published in RHS's Notice of Funding Availability (NOFA). The loan may be pre-paid at the determination of the borrower. Rent, including utilities paid by the tenants, cannot exceed 30 percent of the 115 percent of the area median income.

Approval: Loans of up to \$1,500,000 must be approved by State Directors. All requests for loans above \$1,500,000 must be reviewed by the RHS National Office.

Contact: Please contact your local or state rural development office or visit http://www.rurdev.usda.gov/recd_map.html

■ Housing Programs

Rural Housing Direct Loans (Section 502)

Purpose: Section 502 loans are primarily used to help low-income individuals or households purchase homes in rural areas. Funds can be used to build, repair, renovate or relocate a home, or to purchase and prepare sites, including providing water and sewage facilities.

Eligibility: Applicants for direct loans from Rural Housing Service must have very low or low incomes. Families must be without adequate housing, but be able to afford the mortgage payments, including taxes and insurance. These payments are typically within 22 to 26 percent of an applicant's income. In addition, applicants must be unable to obtain credit elsewhere, yet have reasonable credit histories. Elderly and disabled persons applying for the program may have incomes up to 80 percent of area median income.

Terms: Loans are for up to 33 years (38 for those with incomes below 60 percent of

area median income and who cannot afford 33-year terms). The term is 30 years for manufactured homes. Rural Housing Service sets the promissory note interest rate. However, the interest rate is modified by payment assistance subsidy.

Approval: Rural Development officials have the authority to approve most Section 502 loan requests. Decisions on complete applications are generally made within 30 days of the Rural Development office's receipt of the application.

Contact: Please contact your local or state rural development office or visit http://www.rurdev.usda.gov/recd_map.html

■ Housing Programs

Rural Housing Preservation Grant

Purpose: The Rural Housing Preservation Grant program provides grants to sponsoring organizations for the repair or rehabilitation of low- and very low-income housing. The grants are competitive and are made available in areas where there is a concentration of need.

Eligibility: Those assisted must own very low- or low-income housing, either as homeowners, landlords, or members of a cooperative. Eligible sponsors include state agencies, units of local government, Native American tribes, and nonprofit organizations.

Terms: Funds must be used within a period

of two years. RHS/Rural Development annually issues Requests for Proposals in each state and rates pre-applications by a weighted point system. Grantees may use up to only 20 percent of the housing preservation grant for administration.

Approval: Housing Preservation Grant requests are approved by the State Director.

Contact: Please contact your local or state rural development office or visit http://www.rurdev.usda.gov/recd_map.html

■ Housing Programs

Rural Housing Repair and Rehabilitation

Purpose: The Very Low-Income Housing Repair program provides loans and grants to very low-income homeowners to repair, improve, or modernize their dwelling or to remove health and safety hazards.

Eligibility: To obtain a loan, homeowner-occupants must be unable to obtain affordable credit elsewhere and must have very low incomes. They must need to make repairs and improvements to make the dwelling more safe and sanitary or to remove health and safety hazards. Grants are only available to homeowners who are 62 years old or older and cannot repay a Section 504 loan.

Terms: Loans of up to \$20,000 and grants of up to \$7,500 are available. Loans are for

up to 20 years at 1 percent interest. A real estate mortgage is required for loans of \$2,500 or more. Full title services are required for loans of \$7,500 or more. Grants may be recaptured if the property is sold in less than three years. Grant funds may be used only to pay for repairs and improvements resulting in the removal of health and safety hazards. A grant/loan combination is made if the applicant can repay part of the cost. Loans and grants can be combined for up to \$27,500 in assistance.

Approval: Rural Development officials should make a decision on a complete application within 30 to 60 days.

Contact: Please contact your local or state rural development office or visit http://www.rurdev.usda.gov/recd_map.html

■ Housing Programs

Rural Housing Site Loans (Section 523 and 524)

Purpose: Rural Housing Site Loans are made to provide financing for the purchase and development of housing sites for low- and moderate-income families. Section 523 loans are made to acquire and develop sites only for housing to be constructed by the self-help method. Section 524 loans are made to acquire and develop sites for any low- or moderate-income family.

Eligibility: Section 523 loans are limited to private or public nonprofit organizations that will provide sites solely for self-help housing. Section 524 loans are made to private or public nonprofit organizations. Section 524 loans are made to private or public nonprofit organizations. Section 524 sites may be sold to low- or moderate-income families utilizing Rural Housing Service or any other mortgage-financing program that serves the same eligible families.

Terms: Loans are for two years. Section 523

loans bear 3 percent interest. At the discretion of the customer, Section 524 loans bear the market rate of interest either at the time of approval or at the time of the loan closing.

Approval: State Directors may approve site loans for up to \$200,000. Larger loans require prior approval of the National Office.

Contact: Please contact your local or state rural development office or visit http://www.rurdev.usda.gov/recd_map.html

■ Housing Programs

Rural Rental Housing Loans (Section 515)

Purpose: Section 515 provides direct loans to finance modest rental or cooperatively owned housing designed for very low-, low-, and moderate-income families, elderly people, and persons with disabilities. Funds may be used to construct new housing or to purchase and rehabilitate existing structures for rental purposes. Funds may also be used to buy and improve land and to provide necessary facilities such as water and waste disposal systems.

Eligibility:

Owners – Individuals, partnerships, limited partnerships, for-profit corporations, nonprofit organizations, limited equity cooperatives, Native American tribes, and public agencies are eligible to apply.

Tenants – Very low-, low-, and moderate-income households are eligible to live in Section 515 financed housing. Priority is given to those living in substandard housing. When rental assistance is used, top priority is provided for very low- income households.

Terms: Loans are for up to 30 years at an

effective 1 percent interest rate, but amortized at a 50 year rate. A current rate is used for the promissory note but thereafter is used only to determine maximum rent payments. Tenants pay basic rent, or 30 percent of adjusted income, whichever is greater. Rural Housing Service subsidy can be used to limit tenant payments to 30 percent of income. In some cases, Section 8 or state rental assistance is also utilized with Section 515 loans.

Approval: State Directors must approve loans of up to \$1,500,000. The Rural Housing Service National Office must review all requests for loans above \$1,500,000.

Contact: Please contact your local or state rural development office or visit http://www.rurdev.usda.gov/recd_map.html

■ Housing Programs

Self-Help Housing (Section 502)

Purpose: The section 502 Mutual Self-Help Housing Loan program is used primarily to help very low- and low-income households construct their own homes. The program is targeted to families who are unable to buy clean, safe housing through conventional methods. Families participating in a mutual self-help project perform approximately 65 percent of the construction labor on each other's homes under qualified supervision. The savings from the reduction in labor costs allows otherwise ineligible families to own their homes. If families cannot meet their mortgage payments during the construction phase, the funds for these payments can be included in the loan.

Eligibility: Applicants must have very low or low incomes. Very low income is defined as below 50 percent of the area median income (AMI); low income is between 50 and 80 percent. Families must be without adequate housing; however, they must be able to afford the mortgage payments including principal, interest, taxes and insurance. These payments are 22 to 26 percent of an applicant's income. In addition, applicants must be unable to obtain credit elsewhere, yet have reasonable credit histories. Families with very low incomes living in substandard housing are give first priority.

Terms: Loans are for up to 33 years. The Rural Housing Service sets the promissory note interest rate. However, the interest rate is not usually meaningful since payment assistance can reduce the interest rate to as low as 1 percent. There is no required down payment.

Approval: Rural Community Development Managers have the authority to approve most Section 502 Mutual Self-Help Housing loan requests. If no backlog exist, decisions on the applications should be made within 30 to 60 days of the Rural Development office's receipt of the application.

Contact: Please contact your local or state rural development office or visit http://www.rurdev.usda.gov/recd_map.html

Section 3: Awards and Foundation Funding

■ All America City Award

A Program of the National Civic League

Contact Information:

All-America City Award
National Civic League
1445 Market Street, Suite 300
Denver, CO 80202-1717

Phone: (303) 571-4343
Website: www.ncl.org

Purpose and Activities: The All-America City (AAC) Award recognizes exemplary grassroots community problem-solving and is given to communities that collaboratively tackle challenges and achieve results. Since 1949, the All-America City Award has encouraged and recognized civic excellence, honoring communities of all sizes (cities, towns, counties, neighborhoods and regions) in which community members, government, businesses, and voluntary organizations work together to address critical local issues. All-America City winners and finalists experience heightened national attention – a proven boost for the recruitment of industry, jobs, and investment to the area. The award also reinvigorates a community's sense of civic pride. Winning communities benefit from utilizing the ingenuity, wisdom, and traditions of the entire commu-

nity in solving problems. And, most importantly, All-America Cities can teach and inspire other communities throughout the nation who are struggling with similarly difficult local issues.

Incorporated: 1949

Awards Given: Annually

Eligibility: Any community may enter. A community may be an incorporated city, town, or village; a neighborhood within a large city; a county; a region comprised of two or more cities and/or counties; or a rural region with common but not necessarily formal ties.

Obtain the Application: National Civic League website at www.ncl.org

Application Fee: Based on population of community. (refer to the website for additional information.)

■ The Allstate Foundation

Contact Information:

Office of the Executive Director
The Allstate Foundation
2775 Sanders Road, Suite F4
Northbrook, IL 60062-6127

Phone: (847) 326-7517
Website: www.allstate.com

Purpose and Activities: The Allstate Foundation is making numerous investments in the revitalization of America's neighborhoods. In partnership with the Neighborhood Reinvestment Corporation/Neighborhood Housing Services, the program provides funds to homeowners for "rehabbing" and enhancing their homes. Funds are also used to educate future homeowners to save, purchase and insure their first home. The foundation awards grants to non-profit organizations that seek to improve the quality of life in communities across the country.

National Organizations and Grants:

Non-profit groups that serve multiple U.S. regions or have a national proposal should submit proposals directly to The Allstate Foundation.

Regional and Local Grants: Foundation grants to organizations with local programs are managed through field office grant committees, which meet regularly to review requests. Find local contact information by region at www.allstate.com/community.

Incorporated: 1952

Application: Proposal submission

Deadline for Submission: None

Limitations: No support for fundraising events, sponsorships, capital and endowment campaigns, or equipment purchases unless part of a community outreach program. (Contact foundation or refer to the website for a complete list of limitations.)

■ American Express Foundation

Contact Information:

Terry Savage
American Express Company
World Financial Center
New York, NY 10285-4803

Phone: (201) 209-5903

Website: [www.americanexpress.com/
corp/philanthropy](http://www.americanexpress.com/corp/philanthropy)

Purpose and Activities: The foundation's philanthropic activities focus on three strategic themes: community service, cultural heritage, and economic independence.

Incorporated: 1954

Application: Proposal in two- or three-page letter form

Range of grant size: \$1000–\$50,000

Deadline for Submission: None

Limitation: There should be no requests for individual needs and endowments or capital campaigns. Recipients range from small grassroots organizations to larger institutions.

■ Charles L. Edson Tax Credit Excellence Awards

A Program of the Affordable Housing Tax Credit Coalition

Contact Information:

Linda D. Kirk, Executive Director
Affordable Housing Tax Credit Coalition
401 9th Street, NW, Suite 900
Washington, DC 20004

Phone: (202) 585-8739

Fax: (202) 585-8080

Website: www.taxcreditcoalition.org

Purpose and Activities: The Affordable Housing Tax Credit awards are presented to the most outstanding low-income housing tax credit (LIHTC) projects in each of four categories. Each award will be in the amount of \$5,000 to be used to bring additional services, facilities, or amenities into the project to benefit tenants.

Category of Awards

)]â“ PŌúâ5{ Project located in a metropolitan area (minimum population of 50,000 or Standard Metropolitan Area – SMA).

)]â“ PŌúâ55{ Project located in rural area (maximum population of 50,000).

)] â“ PŌúâ55{ “Special Needs” Housing – without regard to project location.

)]â“ PŌúâ5U{ Senior Housing

Incorporated: 1988

Awards Given: Annually

Eligibility: Nominations may be made by state housing credit agencies, governmental bodies, national or local non-profits, or project owners.

Application: Visit the Affordable Housing Tax Credit website at www.taxcreditcoalition.org/awards.

■ Charles Stewart Mott Foundation

Contact Information:

Mott Foundation Building
503 South Saginaw Street, Suite 1200
Flint, MI 48502-1851

Phone: (810) 238-5651

Fax: (810) 766-1753

Website: www.mott.org

Purpose and Activities: The foundation's major concern is the well-being of the community, including the individuals, the family, the neighborhood, and the systems of government. The foundation is particularly interested in:

- Fresh approaches to solving community problems as stated in the defined program areas;
- Approaches that, if proven successful, can generate long-term support from other sources and/or that can be replicated in other communities when appropriate;
- Public policy development as well as research and development activities to further existing programs and/or to explore new fields of interests; and
- Approaches and activities that lead to systemic change.

Incorporated: 1926

Application: Letter of inquiry

Deadline for Submission: Organizations seeking grants should begin the application process at least four months before the start of the proposed grant period. Foundation staff must finalize grant recommendations for any given calendar year by *August 31*. Proposals received between *September 1 and December 31* will be considered in the following calendar year. Both multi and single-year proposals are acceptable, as are those for shorter periods.

Limitations: No support for religious purposes, building or endowment funds, research, scholarships, or fellowships. (Contact or refer to the foundation's website for a complete list of limitations.)

■ The Enterprise Foundation

Awards for Excellence in Affordable Housing

Contact Information:

The Enterprise Foundation
10227 Wincopin Circle, Suite 500
Columbia, MD 21044

Phone: (410) 964-1230

Fax : (410) 964-1918

Web: www.enterprisefoundation.org

Purpose and Activities: The foundation is for non-profit, community-based organizations, public housing authorities, and Native American Tribes from around the country creating powerful partnerships to rebuild communities and empower people in neighborhoods nationwide.

The mission is to see that all low-income people in the United States have the opportunity for fit and affordable housing and to move up and out of poverty into the mainstream of American life.

For the past seven years, MetLife Foundation has partnered with the Enterprise Foundation to offer the Awards for Excellence in Affordable Housing. The program recognizes, rewards, and shares the best practices of community-based non-profit organizations and Tribes/Tribally Designated Housing Entities (TDHE) across the country that own, develop, and/or operate affordable housing.

Awards are presented in two categories: supportive housing and property and asset management. Award winners receive unrestricted funds in the amount of \$25,000 for first place winners, \$15,000 for second place winners and \$10,000 for third place winners.

Incorporated: 1982

Application: Contact the Enterprise office nearest to your locality for more information on applying for an award.

Deadline for Submission: There is no regular grant cycle or standard proposal. Most of the grants are available only to non-profits located in cities in which there are already have active programs.

Limitations: The award program recognizes 501© (3) community-based or regional non-profit organizations and Tribes/Tribally Designated Housing Entities that excel in property and asset management or provide housing to people with special needs.

■ Fannie Mae Foundation

Contact Information:

Fannie Mae Foundation
4000 Wisconsin Ave., NW
North Tower, Suite One
Washington, DC 20016-2804

Phone: (202) 274-8000

Fax: (202) 274-8100

Web: www.fanniemaefoundation.org

Purpose and Activities: The Fannie Mae Foundation awards grants to non-profit organizations that create affordable homeownership and housing opportunities in cities, towns, and rural areas across the United States. These organizations are recognized for using innovative partnerships to build healthy, vibrant communities.

The foundation awards most of its grants by soliciting proposals from organizations with the ability and track record to create strong partnerships with the foundation. The foundation also sets aside a limited amount of grant funding that is awarded through a competitive process.

Incorporated: 1979

Application: Submit a Letter of Inquiry online

Deadline for Submission: The application is available on the foundation's website. Check the website for details about deadlines for submission.

Limitations: Applications for support of specific programs or specific projects are not encouraged, unless the organization's overall mission is so broad that a substantial part of its work falls outside the foundation's funding priorities. (Contact or refer to the foundation's website for a complete list of limitations.)

■ Ford Motor Company Fund

Contact Information:

Ford Motor Company Fund
One American Road
P.O. Box 1899
Dearborn, MI 48126

Phone: (888) 313-0102
Fax: (313) 390-6965
Email: FordFund@ford.com
Website: www.ford.com

Purpose and Activities: The Ford Motor Company Fund is a non-profit corporation organized in 1949. The fund supports initiatives and institutions that enhance and improve opportunities for those who live in communities where the Ford Motor Company operates.

Foundation Type: Company sponsored

Application: Proposal

Deadline for Submission: None

Limitations: Given primarily to areas with Ford plants and offices and where members of the community are employed by the Ford Motor company. (Contact the foundation for a complete list of limitations.)

■ James C. Howland Award for Urban Enrichment

A Program of the National League of Cities and CH2M Hill

Contact Information:

Ann Swing Kelly
Center for Research and Municipal
Programs
National League of Cities
1301 Pennsylvania Avenue, NW
Washington, DC 20004

Phone: (202) 626-3139

Fax: (202) 626-3043

Email: Kelly@nlc.org

Website: www.nlc.org

Purpose and Activities: The James C. Howland Awards for Urban Enrichment recognize and highlight communities that, through effective policies and thoughtful planning, have preserved and/or enriched a high quality of life in towns and villages.

Award Criteria: Submissions are evaluated on objective and subjective criteria.

- *Objective criteria:* accurate completion of the application; clear and descriptive information on the project; can this project be replicated in other cities; and at least one of the following four categories: exemplify successful public-private partnership ventures or effective citizen and community collaborations, and/or thoughtful planning and man-

agement of urban resources (public or private), and/or innovative government policies, and/or actual project implementation with measurable demonstrated results.

- *Subjective criteria:* the degree to which the program is innovative; the success of the local government in implementing the program; and the extent of the measurable benefit for the general community and local government.

Incorporated: 1990

Awards Given: Annually

Eligibility: Membership in the National League of Cities. If your city is not a member but you are interested in applying for membership, go to www.nlc.org/nlc.org/site/membership/ or email Lorraine Gloster at gloster@nlc.org.

Application: <http://www.nlc.org/nlc.org/site/programs/awards/howland.cfm>

■ MacArthur Foundation

Program for Human and Community Development

Contact Information:

The John D. and Catherine T.
MacArthur Foundation
140 Dearborn Street
Chicago, IL 60603-5285

Phone: (312) 726-8000
Email: 4answers@macfound.org
Website: www.macfdn.org

Purpose and Activities: The John D. and Catherine T. MacArthur Foundation is a private, independent grant making institution dedicated to helping groups and individuals cultivate lasting improvement in the human condition. Through the support it provides, the foundation fosters the development of knowledge, nurtures individual creativity, helps strengthen institutions, participates in the formation of effective policy, and provides information to the public, primarily through support for public interest media.

The Program on Human and Community Development is one of four programs on which the foundation focuses. Issues of interest to the program include community development, regional policy, and affordable housing with a particular emphasis on the preservation of rental housing.

Incorporated: 1978

Application: Submit a one-page summary and a two- to three-page letter of inquiry by mail or email to LOI@macfound.org.

Deadline for Submission: None

Limitations: The foundation does not support political activities or attempts to influence action on specific legislation. In addition, the foundation does not provide for annual fundraising drives, institutional benefits, honorary functions, or similar projects.

Maxwell Awards

A Program of the Fannie Mae Foundation

Contact Information:

Fannie Mae Foundation
4000 Wisconsin Ave., NW
North Tower, Suite One
Washington, DC 20016-2804

Phone: (202) 274-8000

Fax: (202) 274-8100

Web: *www.fanniemaefoundation.org*

Purpose and Activities:

In 1988, to commemorate Fannie Mae's 50th anniversary, the Fannie Mae Foundation announced the Awards of Excellence Program. The Awards were renamed in honor of David O. Maxwell, who retired after ten years of service as chairman and chief executive officer of Fannie Mae and the Fannie Mae Foundation.

The Maxwell Awards of Excellence program seeks to identify, recognize, and showcase the outstanding work of non-profit organizations in developing and maintaining housing for low-income Americans. The program also encourages other corporations and foundations to become funding or investment partners in these endeavors.

The foundation has expanded the mission of the program to include recognizing excel-

lence in addressing critical and current issues in affordable housing. To support this mission, each year the foundation will designate a specific issue in affordable housing and provide three special awards to organizations that have demonstrated excellence in addressing the designated issue.

Incorporated: 1988

Awards Given: Annually

Eligibility: Non-profit Organizations

Application: *http://www.fanniemaefoundation.org/grants/maxwellawards.shtml*

■ Public Welfare Foundation, Inc.

Contact Information:

Public Welfare Foundation, Inc.
1200 U Street, NW
Washington, DC 20009-4443

Phone: (202) 965-1800
Fax: (202) 265-8851
Website: www.publicwelfare.org
Email: reviewcommittee@publicwelfare.org

Purpose and Activities: The Public Welfare Foundation is a non-governmental grant-making organization dedicated to supporting organizations that provide services to disadvantaged populations and work for lasting improvements in the delivery of services that meet basic human needs.

Incorporated: 1947

Application: Two- to three-page letter (must be submitted online)

Deadline for Submission: None

Limitations: The program does not provide grants for building funds, capital improvements, scholarships, conferences, seminars, publications, research, workshops, or loans. (Contact the foundation for a completed list of limitations.)

Section 4: National Housing and Community Development Organizations

■ General Housing Information

- The United States Department of Housing and Urban Development
www.hud.gov
- The Federal Housing Finance Board
www.fhfb.gov
- Habitat for Humanity
www.habitat.org
- Harvard Joint Center for Housing Studies
www.gsd.harvard.edu/jcenter
- Housing and Development Law Institute
www.hdli.org
- Housing Partnership Network
www.housingpartnership.net
- National Association of Affordable Housing Lenders
www.ffhsj.com/fairlend/naahl.htm
- National Council of State Housing Agencies
www.ncsha.org
- National Housing Conference
www.nhc.org
- National Housing Trust
www.nhtinc.org
- The United States Department of Agriculture
www.usda.gov
- W. K. Kellogg Foundation
www.wkkf.org

■ National Housing and Community Development Organizations

- America's Community Bankers
www.ACBMortgage.com
- American Bankers Association
www.aba.com
- American Institute of Architects
www.aia.org
- American Land Title Association
www.alta.org
- American Planning Association
www.planning.org
- Appraisal Institute
www.appraisalinstitute.org
- Association of Community Organizations for Reform Now (ACORN) www.acorn.org
- Center for Neighborhood Technology
www.cnt.org
- Community Development Financial Institutions Fund
www.cdfifund.gov
- Corporation for National and Community Service
www.nationalservice.org
- Corporation of American Building Officials
www.cabo.org
- Council of State Community Development Agencies
www.coscda.org
- Fannie Mae
www.fanniemae.com
- Federal Deposit Insurance Corporation
www.fdic.gov
- Federal Home Loan Bank System
www.FHLBanks.com
- Freddie Mac
www.freddiemac.com
- Habitat for Humanity International
www.habitat.org
- Harvard Joint Center for Housing Studies
www.gsd.harvard.edu/jcenter
- Housing Assistance Council
www.ruralhome.org
- Housing and Development Law Institute
www.hdli.org
- Housing Partnership Network
www.housingpartnership.net
- Local Initiatives Support Corporation
www.liscnet.org
- Manufactured Housing Institute
www.mfghome.org
- Mortgage Bankers Association
www.mbaa.org
- Mortgage Insurance Companies of America
www.micanews.com
- National Affordable Housing Training Institute
www.nahti.org
- National American Indian Housing Council
www.naihc.indian.com
- National Association for the Advancement of Colored People (NAACP)
www.naacp.org
- National Association of Affordable Housing Lenders
www.ffhsj.com/fairlend/naahl.htm
- National Association of Local Housing Finance Agencies
www.nalhfa.org
- National Association of Counties
www.naco.org
- National Association for County

- Community and Economic Development
www.nacced.org
- National Association of Home Builders
www.nahb.com
 - National Association of Local Housing Finance Agencies
www.nahlfa.org
 - National Association of Real Estate Brokers
www.nareb.com
 - National Association of Realtors
www.nar.realtor.com
 - National Bankers Association
www.natbankers.com
 - National Community Development Association
www.ncda.org
 - National Community Reinvestment Coalition
www.ncrc.org
 - National Conference of States on Building Code Standards
www.ncsbc.org
 - National Congress of Community Economic Development www.ncced.org
 - National Cooperative Bank www.ncb.com
 - National Council of La Raza
www.nclr.org
 - National Council of State Housing Agencies www.ncsha.org
 - National Fire Protection Association
www.nfpa.org
 - National Foundation for Consumer Credit
www.nfcc.org
 - National Foundation of Manufactured Home Owners
www.manhousingfoundation.org
 - National Hispanic Housing Council
www.nhhc.org
 - National Housing Conference
www.nhc.org
 - National Housing Trust
www.nhtinc.org
 - National League of Cities
www.nlc.org
 - National Low-income Housing Coalition
www.nlihc.org
 - National Neighborhood Coalition
www.neighborhoodcoalition.org
 - National Trust for Historic Preservation
www.nationaltrust.org
 - National Urban League
www.nul.org
 - Neighborhood Reinvestment Corporation
www.mortgagemag.com
 - The Enterprise Foundation
www.enterprisefoundation.org
 - The Federal Housing Finance Board
www.fhfb.gov
 - The Social Compact
www.socialcompact.org
 - The United States Department of Housing and Urban Development
www.hud.gov
 - United Homeowners Association
www.uha.org
 - U.S. Conference of Mayors
www.usmayors.org
 - U.S. Department of Veterans Affairs
www.va.gov
 - U.S. Department of Agriculture, Rural Housing Service
www.rurdev.usda.gov
 - Urban Land Institute
www.uli.org

■ National Affordable Housing Training Institute (NAHTI)

Member Organizations

- National Affordable Housing Training Institute
www.nahti.org
- National League of Cities
www.nlc.org
- The United States Conference of Mayors
www.uscm.org
- National Association of Housing Redevelopment Associations
www.nahro.org
- National Association of Counties
www.naco.org
- National Association of Local Housing Finance Agencies
www.nahlfa.org
- National Community Development Association
www.ncda.org
- National Association for County Community Economic Development
www.nacced.org
- Council of State Community Development Agencies
www.coscda.org

About the National League of Cities

The National League of Cities (NLC) is the oldest and largest national organization representing municipal governments throughout the United States. NLC serves as a national resource and advocate on behalf of over 1600 member cities and for 49 municipal leagues whose membership totals more than 18,000 cities and towns across the country.

The mission of the National League of Cities is to strengthen and promote cities as centers of opportunity, leadership and governance.



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