

Mountain Promise

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The house above is typical of those built by nonprofit organizations such as the Federation for Appalachian Housing Enterprises to address substandard housing conditions like that pictured on the right. Read more on page 2.

Housing in Appalachia



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Mission of Brushy Fork

For more than one hundred years, Berea College has served the people of Appalachia.

The Brushy Fork Institute carries forward this commitment by working to develop strong leadership in the mountains.

Working with both existing and emerging leaders, we draw on local understanding and vision to help communities build for tomorrow.

Improving Housing in Appalachia

by Ike Adams

Ike Adams is the Development and Marketing Executive for the Federation of Appalachian Housing Enterprises, which serves housing needs in Kentucky, Tennessee, Virginia and West Virginia.

Next time you drive along the highways that curve up one steep mountainside and down the other throughout Kentucky, Tennessee, Virginia and West Virginia, pay close attention to the places where folks live. Find a side road and follow it until it gets too rutted for your car. Then turn around and backtrack. That's the best if not the only way to get a handle on the condition of our region's housing and living conditions.

If you drive around for several days, here's what you'll see most consistently. On one side of the road sits a nice, well-maintained, three bedroom brick and on the other side a sagging, rusting, so-called mobile home that has been mobilized once too often. Around the curve you may see an old farmhouse with smoke lazily trailing from its chimney into the still, crisp air. On either side of it may be a couple of newer mobile homes that the offspring have set up so they can share the family well.

Along the hillsides you will see modest frame homes with vinyl or aluminum siding, many of which suffer from obvious disrepair. A new roof here, new siding there, and new storm doors and windows might better turn the elements than the ever-present sheets of plastic that many families use to winterize their homes.

Actually there is no rhyme or reason to housing in central Appalachia. Outside the county seats, few neighborhoods might be described as affluent. On the other hand, there are few long stretches of road that look like slums. The well-kept and the run-down are

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Housing in Appalachia

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frequently next door to each other. The hundred thousand dollar or even quarter million dollar Bedford Stone may be adjacent to the fifteen thousand dollar mobile home, though there are far more of the latter.

More often called “trailers,” mobile homes provide shelter to more than 15 percent of central Appalachian families. In some areas the figure approaches 30 percent. Constructed of aluminum sheeting and pine 2x4s mounted on a couple of steel beams with axles, they come from the factory custom fitted with appliances and furniture. They can be ready for occupation within a few days of purchase if the buyer has access to a lot with electrical service and a septic tank.

About 85 percent of the mobile homes in the region are titled as chattel, much the same as automobiles and boats, as opposed to real estate. They begin depreciating the day that occupancy begins and eventually they wear out. Unlike a new home, a trailer will not normally be worth what the buyer paid for it within a year of purchase. While most homeowners consider their dwelling an investment that will increase in value over time, mobile homes are exactly the opposite and ultimately they become worthless.

Homeownership is a strong cultural value, with about 75 percent of central Appalachians owning their homes. Little incentive exists for developing rental property. Mountainous land, outside the city limits, does not lend itself to economical development of multi-family rental properties. In addition, income levels are generally too low for the vast majority of families to afford rent even if properties were commercially available. Lack of infrastructure is also a barrier. For example, in many of the region’s 179 counties, public water is not available to 80 percent of the population.

Lack of public water also causes insurance rates to be more than double the national average. In fact, as many as 25 percent of homeowners have no fire insurance even though the most prominent news in local



Vicella Adams of Isom in Letcher County, Kentucky, proudly shows her new home constructed by FAHE member group HOMES, Inc. Before moving into her new home, Vicella and her family lived in a severely distressed coal camp house.

papers throughout the winter consists of photographs of the smoking ruins of a home destroyed by fire because it was improperly wired or ventilated. More often than not the photograph will show the charred remains of a trailer that was inhabited far beyond its practical utility.

While public housing might address many housing issues, it is relatively unavailable. Less than one percent of the population lives in public housing, even though upwards of 30 percent would qualify. Most public housing is located within incorporated municipalities where public water and sewage treatment are available. Most of these developments have long waiting lists of qualified renters. Still, with a cultural aversion to “living in town,” thousands of families simply feel more content in run-down trailers than they ever would in public housing.

Affordability is, in reality, the most critical housing issue in Appalachia. While the cost of housing has become a national crisis for low and even middle income families, the problem is far more severe in Appalachia. Thousands of families live in homes that are rapidly deteriorating simply

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Rental development is an evolving trend among nonprofit housing providers. Owned by VMH, Inc., this subdivision near Blacksburg, Virginia, consists of thirteen 2- and 3-bedroom duplexes that rent for less than \$325 per month.

because they can't afford to remodel them. In Appalachian Kentucky, more than 30 percent of the population (some 300,000 people) live below the poverty level. About 20 percent of families in the mountains of Tennessee, Virginia and West Virginia live below poverty. Commercial real estate loans are not available to these families, and they could not afford the payments if they did have access to conventional credit.

What is Being Done?

During Spring Break and throughout the summer, thousands of college-age volunteers travel to the region and work with local nonprofits to perform emergency repairs on homes that are literally falling apart. While dozens of these nonprofits have staff that work year round in the same endeavor, as much as 10 percent of current housing stock would be considered unfit for human habitation by most Americans' standards. In raw numbers, well over 150,000 occupied homes within the region classify as substandard.

Dozens of nonprofit groups also direct their efforts at building new homes and making them affordable to low-income

families. Often it is more affordable to build a new home than to refurbish one that is falling apart at the seams.

Thirty-two of these nonprofit organizations scattered across the Appalachian portions of Kentucky, Tennessee, Virginia, and West Virginia form a coalition called the Federation of Appalachian Housing Enterprises, Inc. (FAHE). The essence of FAHE is that it enables these member groups to have access to financial and technical resources that they could not individually afford. Unity has also enabled these builders to impact state and federal housing policy. Under their guidance, public funding has far more practical utility at the local level than it would if key decisions had been left solely to administrators far removed from the actual need.

Founded in 1980 on a modest budget of some \$17,000, FAHE currently has assets exceeding \$24 million. The combined assets of FAHE and its member groups exceed \$160 million. Most FAHE members are community-based and focused on the housing needs of geographic areas consisting of one or two counties. They are normally governed by residents of the communities in which they work.

Over the years FAHE members have constructed more than 2,300 new homes. They have completed major renovations costing more than \$15,000 per home on about 3,500 other houses. They have made major repairs and weatherized more than 25,000 existing homes. All of these homes are owner occupied by families with extremely limited financial resources. FAHE has provided low-interest mortgage financing to more than 600 families whose annual income averages less than \$12,000 per year.

A recent survey of families with FAHE mortgages performed by Berea College showed that more than half the respondents had significantly fewer health problems after moving into their new homes. Nearly half said their children performed significantly

better in school. Proof enough, FAHE believes, that housing matters and matters greatly.

To make a home loan work FAHE may use funding from as many as 4 or 5 state and federal governmental sources combined with unrestricted equity funds that it has gradually accumulated. As the loans are repaid, the funds are revolved to serve new families. FAHE's default rate among borrowers rivals that of commercial lenders.

In addition to mortgage financing, FAHE maintains a \$5 million construction loan fund utilized by its members to do site preparation, construction and bridge financing that enable homes to be built while permanent financing is being arranged. The latter process may take up to a year.

Three FAHE staff members counsel prospective homeowners on budgeting and maintenance and provide moral support to get them "ownership ready." The single, most critical aspect of FAHE's success is its ability to build a sense of personal responsibility among its borrowers. Clients realize that repaying the loans that enabled them to become homeowners may help a neighbor or another family in similar circumstances realize the dream of owning a safe, decent home.

Over the last three years, FAHE's construction loan fund has become increasingly involved in providing short-term,

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low-interest financing that enables FAHE members to construct affordable multi-family rental developments. Young couples, just starting out, increasingly find rental arrangements appealing because of job uncertainty and the realization that they may have to move more than a hundred miles away on short notice to find employment. As maintenance, insurance and other ownership costs skyrocket, elderly folks also are seeking rentals. In 2000, FAHE members built more than 350 rental units.

Still FAHE officials maintain their organization is scarcely more than a model. While 600 new homes a year (including rentals) is a significant amount of housing production, 150,000 substandard homes still remain in central Appalachia. While organizational assets of \$160 million may seem to be a lot of capital, billions are needed to address housing problems adequately.

Next issue is on energy in Appalachia

Mountain Promise, the newsletter of the Brushy Fork Institute, is published quarterly. Our next issue will explore energy in Appalachia. If you have an article or a story idea, contact:

Mountain Promise

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Why Housing Matters

The Executive Summary of the Housing Assistance Council's 2000 Report on Rural Housing

In an election year when housing was rarely mentioned as a campaign issue, this report reminds us that the economic boom has not solved everything, and that government assistance is still essential. As the report says, our homes and our communities are inextricably linked to nearly everything we do and are, as individuals and as a society.

—Moises Loza, Director of the Housing Assistance Council

As we enter the new millennium, the landscape of rural America has changed dramatically from the beginning of last century. In 1900, more than two-thirds of the nation's population resided in rural areas. In 2000, less than one-quarter do. Rural America's economy and lifestyle have changed as well. Traditional family farms and small town centers have been replaced by large corporate agriculture and strip malls. As the landscape of rural America has changed, so too have rural homes. For the most part these changes have been positive, as more rural residents have access to decent, safe, and more comfortable living environments than ever before. However, as documented in the following report, far too many rural Americans lack decent homes.

Housing matters. It is an important aspect of our lives and our society. As Tremblay and Dillman note in *Beyond the American Housing Dream*: "People spend much of their day in the confines of their homes; the home separates people from others; the home provides a place of retreat and replenishment . . . It represents socioeconomic status in the eyes of the community, and housing costs demand a large piece of the family budget pie." This year's *State of the Nation's Rural Housing* seeks to draw attention to why housing matters.

Specifically, this report investigates how housing and communities are cornerstones for quality of life and economic well-being. Particular attention is placed on special populations, including low-income families, minorities, seniors, and households with children. In addition, this year's report highlights the stories of several rural families and individuals who live in federally assisted housing and what decent housing means to their quality of life and well-being.

Rural Housing Conditions and Trends

The state of rural housing in America is one of growth and change. Consistent with national trends, the number of housing units in nonmetropolitan areas has grown by nearly two million in the past ten years. Approximately 22 million, or 22 percent, of all occupied housing units in the United States are in nonmetro areas. Owner-occupied units, which have traditionally been prevalent in rural areas, continue to comprise the major portion of the nonmetro housing stock. Conversely, rental housing in rural areas has a tendency to be overlooked, and many low-income nonmetro renters, like inner city renters, experience some of the worst housing needs in the nation.

Mobile homes continue to make up one of the fastest growing housing segments in the U.S., and in rural areas in particular. Although mobile homes make up only 15 percent of nonmetro units, their numbers have grown by 38 percent since 1987. The dramatic increase in the number of Hispanic-headed households is a significant demographic trend in rural America. While a majority of Hispanic households live in metropolitan areas, their growth is proportionally greater in nonmetro areas. Another important demographic shift affecting housing in rural America is the impending progression of the baby boom generation into old age. Elderly households are already more prevalent in nonmetro areas than metro areas, and it remains to be seen if rural areas can meet the housing challenges that accompany the aging of so many households into senior status.

Housing costs and quality issues continue to be problematic for low-income nonmetro households. Housing inadequacy is slightly more common among nonmetro units than among all U.S. housing units. Approximately 1.8 million or 8.2 percent of nonmetro units are considered either moderately or severely inadequate. Approximately 21 percent of nonmetro households pay more than 30 percent of their monthly income for housing costs and are considered cost-burdened. A disproportionate number of these cost-burdened households are renters.

Housing and Quality of Life

A safe, secure, and affordable living environment serves as a catalyst for many factors that contribute to a high quality of life. In general, nonmetro residents tend to express higher satisfaction with their housing and neighborhoods than do their metropolitan counterparts. These satisfaction levels decrease for nonmetro households experiencing quality or cost problems, but increase for low-income households with government housing assistance.

Housing and neighborhood quality also have significant consequences for the health and well-being of children. Over 7.7 million nonmetro units have children present, and 35 percent of these have problems with cost, crowding, or adequacy. Approximately 8 percent of nonmetro housing units with children present are either moderately or severely inadequate. Government housing assistance seems to have a significant impact on improving housing quality and satisfaction for nonmetro households: an overwhelming portion of assisted renters and owners indicate that their subsidized housing is better than their previous dwelling.

Housing and Economic Well-Being

A home is the most valuable asset many Americans, and in particular low- and moderate-income households, will ever own. While more rural than urban households own their homes, the equity accumulated by a nonmetro homeowner is likely to be less than that accumulated by a metropolitan homeowner, because nonmetro homes are less valuable. Nevertheless, the purchase of a home is still a significant economic factor for many rural residents. However, several barriers to quality and affordable mortgage access are more problematic in rural areas than in metropolitan areas. One factor in particular is higher interest rates. While 63 percent of all U.S. households with a mortgage have interest rates at or below the national median of 8.0 percent, only 54 percent of nonmetro mortgage holders have interest rates at or below the national median. Furthermore, 17 percent of all nonmetro owners with a mortgage, which is nearly double the metro proportion, have an interest rate of 10 percent or more. Interest rates are even higher among low-income borrowers.

These higher mortgage rates in nonmetro areas are in part attributable to the larger number of financed mobile homes, which often have shorter loan periods and higher rates. Subprime lending is also on the rise. Nationally the number of home purchase loans from subprime lenders increased by 762 percent between 1993 and 1998. Anecdotal evidence suggests that subprime lenders are becoming increasingly active in rural areas. While there are problems with affordable and quality credit availability in rural areas, homeownership remains one of the best methods of asset accumulation for low-income rural households.

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Why Housing Matters: HAC's 2000 Report on the State of the Nation's Rural Housing was prepared with support from the U.S. Department of Housing and Urban Development. The report is available in pdf format at <http://www.ruralhome.org/pubs/hsganalysis/SNRH/why/execsummary.htm>, or for \$9.00 by mail, including postage and handling.

A national nonprofit corporation headquartered in Washington, D.C., and founded in 1971, the Housing Assistance Council publishes numerous reports, program manuals, and other materials on rural housing topics. HAC helps local organizations build affordable homes in rural America by providing below-market financing, technical assistance, research, training and information services. HAC's programs focus on local solutions, empowerment of the poor, reduced dependency, and self-help strategies. Contact the Council at 202.842.8600.

An Alternative Designing with Nature Approach to Housing

by Richard Olson, Sustainability and Environmental Studies Program, Berea College

The Appalachian region is one of the poorest in the United States, beset by problems of poverty and environmental degradation. Yet, it is also a beautiful place with abundant natural resources and human capital. Why this dichotomy? Why has so much natural wealth been squandered instead of being used to support a healthy and sustainable economy?

In part, the problems stem from “development” that destroys, a process in which decisions are made in cities far from Appalachia, in which nature is considered only as raw material, and where one place is thought to be the same as any other. Coal mining is the best known example of this type of exploitation. Mountaintop removal does not care which mountain is being removed.

This same attitude is displayed in a seemingly much more benign activity, the construction of houses and other buildings. Across the region the story is the same—new homes are little more than cheaply made boxes set on bulldozed lots without regard to the natural environment, and made habitable only by large infusions of electricity and other energy. Electricity, ironically, that is often generated by burning coal.

However, an alternative approach provides a process by which we can design our buildings, communities, and landscapes to work with nature instead of against it. **Ecological design** is “any form of design that minimizes environmentally destructive impacts by integrating itself with living processes.” In ecological design, the unique combination of climate, soils, vegetation, topography, history, and

culture that define a particular place are recognized and looked to as the basis for solutions to environmental and social problems. Sun, wind, and rain are seen as assets to be used, not barriers to be overcome. For example, simply by orienting a house properly with regard to the sun and prevailing winds, energy use and costs can be greatly reduced.

And finally, ecological design recognizes that everyone is a designer. Local residents know their area better than anyone else, and their needs and values are best met if they are active participants in the design process. This principle corresponds well with the Brushy Fork’s mission to work with both existing and emerging leaders and draw on local understanding and vision to help communities build for tomorrow. So it is perhaps not surprising that the Institute’s home organization, Berea College, is taking a leadership role in the Appalachian region in applying ecological design to the development of a sustainable community.

One of the College’s major projects is the Berea College Ecovillage, which is being designed as an ecologically sustainable housing complex for students, primarily those who are married and/or parents. Just as importantly, the Ecovillage will provide the region with learning opportunities about sustainable building.

The Ecovillage will add 32 new units of family housing, a commons house, and a new child care and development center to the existing married student housing complex. By working with instead of against nature, the Ecovillage will provide a comfortable, safe, and stimulating residential environment to more than 100 students and children in a manner that does not contribute to the destruction of the natural systems on which their future well-being

In part, the problems stem from “development” that destroys, a process in which decisions are made in cities far from Appalachia

depends. Specifically, the Ecovillage is being designed to meet stringent performance goals including:

- residential energy use will be no greater than 25 percent of that of a conventional home in this region;
- per capita water use will not exceed 25 percent of the regional average;
- the quality of water leaving the Ecovillage will be as good as the quality of water entering the village;
- at least 80 percent of the Ecovillage's waste will be recycled, reused or composted.

To accomplish these and other ecological goals, the Ecovillage will incorporate a wide range of "green design" elements including passive solar heating, photovoltaic panels and wind-powered electrical generators, on-site treatment of waste in composting toilets and living machines, roof-top capture of rainwater for irrigation, and production of fruits and vegetables in local gardens and greenhouses.

Simply by living there, the Ecovillage residents will learn about sustainability. An ecologically-designed architecture is often called an "architecture that teaches," with natural processes made visible and flows of energy and materials monitored and displayed on a continuous basis. The residents will learn about community. With two sets of row houses fronting on a commons area of gardens and playgrounds, children can play under the watchful eye of the neighborhood, and parents can sit on their porches and converse with passers-by.

Central to the educational function of the Ecovillage is the Sustainability and Environmental Studies (SENS) House, an ecologically-designed residence for six students in the College's SENS Program. The SENS House residents will provide orientation and education for new Ecovillage residents, monitor Ecovillage performance and recommend changes to increase sustainability, and provide tours and educational programs on sustainable living

for campus and off-campus groups. Thus, the Ecovillage will support the College in meeting its commitments to plain living, service to the Appalachian region, and the maintenance of a continuous learning community.

Students in the SENS Program at Berea are taking the lead in designing the SENS House—visiting the site to test soils, calculate solar inputs, monitor wind speeds and directions, and get a feel for the existing neighborhood of which the Ecovillage will be a part. Some of these students may have a chance to help construct the SENS House, and some will certainly live there once it is built. By their actions they illustrate the three main principles of ecological design—solutions grow from place, design is done with nature, and everyone is a designer. They also provide a model for an approach that Appalachian communities can take to increase their sustainability and well-being.

One of the premier ecological design firms in the world, Van der Ryn Architects, is facilitating the design of the Ecovillage. The College hopes to begin construction of the Ecovillage this year, and to open the village to residents by fall 2002.

The Ecovillage is just one of many building and renovation projects to which Berea College will apply the principles of ecological design. The College is moving to increase its in-house capabilities in this area through the establishment of a new faculty position in the SENS Program—the Compton Chair in Ecological Design. The holder of the chair, expected to be on staff by this fall, will devote a significant portion of time to working with, and learning from, communities throughout the Appalachian region.

For more information on Berea College's Sustainability and Environmental Studies Program, contact Richard Olson at richard_olson@berea.edu.

three principles of ecological design

1. solutions grow from place
2. design is done with nature
3. everyone is a designer



Provide your input

RURAL RENTAL HOUSING ACT OF 2000

In October of 2000, Senator John Edwards, a Democrat from North Carolina, introduced The Rural Rental Housing Act to Congress. The bill was read and referred to the Committee on Banking, Housing, and Urban Affairs. The National Rural Housing Coalition is seeking comments on the bill which is expected to be reintroduced during this Congressional session.

The Rural Renting Housing Act of 2000 proposes a \$250 million federal matching grant program for rental housing and related facilities in rural areas to increase the supply and quality of affordable housing for low-income households and the elderly.

Administered by the U.S. Department of Agriculture (USDA), the funds will be allotted on a state-by-state basis, to provide a dollar-for-dollar match of project funds. The grants will be for the acquisition, rehabilitation, and construction of low-income rural rental housing.

The USDA will make assistance available to public bodies and Native American tribes, as well as private nonprofit corporations with a record of accomplishment in housing or community development. Federal assistance may not be used to finance more than 75 percent of a project cost.

The assistance may be made available in the form of capital grants, direct subsidized loans, guarantees, and other forms of financing for rental housing and related facilities.

The USDA will also have the authority to delegate the administration of the funds to states and other intermediary organizations. In this case, USDA will allot funds to intermediaries, which will then use the funds to provide technical assistance and financing to housing organizations. The intermediaries are responsible for matching the USDA funds on a dollar-for-dollar basis and must agree to provide the full range of assistance authorized under the Act.

Qualified intermediary organizations include: states or state agencies; private nonprofit community development corporations; nonprofit housing corporations; community development loan funds; and community development credit unions. An organization must demonstrate a record of providing technical and financial assistance for housing and community development activities in rural areas. More than one intermediary may operate in a state.

The Rural Rental Housing Act would provide for flexible financing and partnerships.

A variety of financing tools may be used to match the federal funds, including loans, grants, interest subsidies and annuities. The proposal would encourage partnerships among federal agencies, state and local governments, private financial institutions, private philanthropic institutions and the private sector, including nonprofit organizations.

Intermediaries must specify the state, or parts of a state, in which it proposes to administer rural rental housing assistance. The population served must be very low,

You may view the Rural Rental Housing Act online at <http://thomas.loc.gov>. Enter the bill number S.3228 in the search field on this site.

low or moderate-income households, i.e. those with incomes of 0 percent to 100 percent of the area median income. Priority for assistance will be given to very low income (0 percent to 30 percent of area median income) and minority households.

Housing must be in rural areas with populations not exceeding 25,000, outside of urbanized areas. Priority for assistance will be in low income communities or in communities with a severe lack of affordable housing. Housing projects financed under the Act must have a low-income use restriction of not less than 20 years.

Why is the Act Needed?

Direct lending for rural rental housing is at its lowest funding level in more than 25 years, and federal support for subsidized rural rental housing has been cut by 73 percent since 1994.

Rural rental housing unit production by the federal government has been reduced by 88 percent since 1990. Yet the need for affordable housing in rural areas is increasing.

According to the Housing Assistance Council's analysis of 1995 American Housing Survey (AHS) data, 28 percent of rural American households — 10.4 million — have housing problems. For rural renters, the rate of housing problems is higher:

- 33 percent of all rural renters are cost burdened, paying more than 30 percent of their income for housing costs;
- almost one million rural renter households suffer from multiple housing problems;
- of those with multiple housing problems, 90 percent are severely cost burdened, paying more than 50 percent of their income for rent;

- 60 percent pay more than 70 percent of their income for housing.

From its inception in 1963 until 1994, the primary source of federal funding for affordable multifamily housing in rural America was the Section 515 Rural Rental Housing program, administered by USDA's Rural Housing Service (RHS). The low level of appropriations has not only made it virtually impossible to build new housing, but has also limited the ability of the government to preserve and maintain the current stock of Section 515 units.

The need for flexible federal financing is especially pressing in rural economies for the following reasons:

Rural economies are less diverse.

Factors existing in rural environments, such as remoteness and low population density, lead to limited access to many forces driving the economy, such as technology, lending, and investment. Local expertise is often limited in rural areas where economies are focused on farming and/or natural resource-based industries. Banks in rural areas are often limited in size, with restricted lending capacities and a narrow scope of local expertise.

Rural areas have less access to credit than metropolitan areas.

Banks and other investors, looking for larger projects with lower risk, seek metropolitan areas for loans and investment. Often credit that is available is insufficient, leading to the need for interim or bridge financing. Credit in rural areas is often more expensive and available at less favorable terms than in metropolitan areas.

Information for this article was taken from the Rural Rental Housing Fact Sheet on the NRHC site at <http://www.nrhweb.org/rrhfactsh.html>.

For information on providing feedback on the bill, go to the National Rural Housing Coalition's web site at <http://www.nrhweb.org> and click on Rural Rental Housing.



toolbox

Conducting a Housing Needs Assessment

In rural communities, housing needs can be difficult to quantify. Seeing a rundown house here and hearing about a homeless family there can be indicators of housing issues. But what kind of information do you need to gather to get a clear picture of the housing situation in your community? To research housing needs, you should determine:

1. A housing region.

What are the physical boundaries of the area you wish to study? The housing region could consist of a community, county or geographically related cluster of communities. Base your region on real estate listings, lending and commuting patterns and the scope of the program you wish to implement.

2. The current inventory of housing.

How many houses exist in the area? This information can be collected in the form of reports from the county assessor's office.

3. The approximate value of housing.

What is the lowest house value in the area? What is the highest? And what is considered average? This data should be available from the county assessor's office. Loan officers at banks and mortgage companies can help determine what size loans are being requested and issues that buyers face when requesting financing.

4. The condition of housing.

How many substandard houses are in the area? What types of problems do these houses have? Again, your county assessor or the county clerk at the courthouse may be able to identify housing problems. You might also check with local housing organizations and social service agencies.

5. The type of housing.

Are there single family units and apartments? How many mobile homes are in the area? Are homes owned or rented? Check with your county assessor for this information.

6. The availability of housing.

How many units are currently available for occupancy? How many families are currently seeking quality housing? Local real estate agents often have a good sense of what kinds of homes are for sale or rent and who is looking for housing.

7. Labor needs that are affected by lack of housing.

Is industry having trouble finding workers due to lack of housing? How many new workers can't find affordable housing? Industry can help determine housing needs of their labor force, both current and future. They can identify commuting patterns, growth trends, unmet needs and wage levels of workers.

8. Infrastructure constraints on housing.

What kinds of zoning restrictions are placed on housing development? How many neighborhoods and what areas lack water, sewer or other services?

9. Land availability for constructing new housing.

How much usable land is available for new housing? What is the county or city's approach to planning for responsible development? The County Extension Office will have information on local land use, and planning and zoning boards and local officials can speak to planning issues.

Armed with the information from a housing needs assessment, a community can project population and housing needs for the next three to five years and plan to meet those needs.

Housing Organizations in Central Appalachia

Need help with a housing issue? Want more information on housing in your area? Here's a list of housing organizations that might help you get a start on finding answers.

Regional

Appalachia Service Project, Inc.
4523 Bristol Highway
Johnson City, TN 37601
423.854.8800
www.asphome.org

Federation of Appalachian
Housing Enterprises
Drawer B
Berea, KY 40403
859.985.2321
www.fahe.org

Kentucky

Christian Outreach with
Appalachian People, Inc.
PO Box 1617
Harlan, KY 40831
606.573.9853
(Harlan, Bell & Leslie Counties)

Family Resources, Inc.
11 Hughes Avenue, #1
Winchester, KY 40391
606.745.7969
(Clark, Estill, Madison & Powell
Counties)

Frontier Housing, Inc.
PO Box 561
Morehead, KY 40351
606.784.6362
(Bath, Carter, Elliott, Fleming,
Menifee, Rowan & Morgan
Counties)

Hazard/Perry County Housing
Development Alliance
PO Box 7284
Hazard, KY 41702
606.436.0497
(Perry, Breathitt, Knott & Leslie
Counties)

Homeless and Housing Coalition
of Kentucky
229 West Main, Suite 105
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Neon, KY 41840
606.855.4561
(Clay & Jackson Counties)

Kentucky Housing Corporation
1231 Louisville Rd.
Frankfort, KY 40601
800.648.6057
www.kyhousing.com

Kentucky Mountain Housing
Development Corp.
PO Box 729
Manchester, KY 40962
606.598.5128
(Clay & Jackson Counties)

People's Self-Help Housing
Route 3, Box 34
Vanceburg, KY 41179
606.796.6333
(Lewis & Fleming Counties)

Tennessee

Aid to Distressed Families of
Anderson County
PO Box 5953
Oak Ridge, TN 37831
423.425.0256
(Anderson & Campbell Counties)

Creative Compassion
53 South Main Street, Suite 103
Crossville, TN 37852
931.456.6654
(Cumberland, Putnam, Fentress,
White & Bledsoe Counties)

Tennessee Association of
Housing and
Redevelopment Authorities
701 South 6th St.
PO Box 846
Nashville, TN 37202
615.252.8416
www.tahranet.org

Tennessee Manufactured
Housing Foundation
tnmha.net/found.htm

Woodland Community
Development Corporation
469 Roses Creek Road
Clairfield, TN 37715
423.784.5304
(Claiborne & Campbell Counties)

Virginia

Allegheny Highlands Housing
Alliance
403 Ridgeway
Clifton Forge, VA 24422
540.862.0263
(Allegheny, Bath, Bland,
Boettourt, Buchanan, Caron &
Craig Counties)

Mountain Shelter, Inc.
PO Box 743
Wytheville, VA 24382
540.228.6280
(Smyth, Wythe, Bland, Carroll &
Grayson Counties)

People, Inc.
1173 West Main Street
Abingdon, VA 24210
540.623.9000
(Buchanan, Dickenson, Russell,
& Washington Counties)

Scott County Redevelopment
Housing Authority
133 West Jackson Street
Gate City, VA 24251
540.386.9242
(Scott, Smyth & Tazewell
Counties)

Virginia Center for Housing
Research
Virginia Tech
Blacksburg, VA 24061
Phone: 540.231.3993

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Home Weatherization

Increasing Comfort and Saving Money

As natural gas and oil prices have risen over the past year, many families have seen their energy bills rise dramatically. While all families feel the impact of rising costs, low-income households are hit the hardest.

On average, the lowest income households spend 14% of their annual incomes for energy, compared with 3.5% for other families. As prices rise, energy costs may consume 18% or more of a low-income household's budget. However, homeowners can take measures to alleviate some of these energy costs.

Home weatherization programs can help determine cost-effective improvements for homes and also assess health and safety conditions. Weatherized households save an average of \$193 annually on heating bills. Families living in substandard homes that are brought up to energy efficiency standards will probably find themselves saving even more.

Here are some suggestions for weatherizing a home:

- ✓ Weather-strip, caulk or seal air leaks in the home. On a windy day, hold a lit incense stick next to windows, doors, electrical boxes and outlets, ceiling fixtures, attic hatches and other possible air paths. If the smoke stream travels horizontally, too much air is entering your house at that location. Caulk and weather-strip doors and windows; caulk and seal areas where plumbing, ducting or wiring penetrates exterior walls, floors and ceilings; install rubber gaskets behind outlet and switch plates on exterior walls.
- ✓ Look for dirty spots in your insulation. This indicates holes where air leaks in and out of your house. To seal the holes, staple sheets of plastic over them and caulk around the edges.
- ✓ Install storm windows over single-pane windows or replace them with double pane windows. A less costly and less permanent alternative is to cover the inside of your windows with clear plastic taped tightly to the frame.
- ✓ When a fireplace is not in use, keep the flue damper closed tightly. Otherwise, warm air escapes up the chimney.
- ✓ If you are building a new house, reduce exterior wall leaks by installing house wrap, taping the joints of exterior sheathing or comprehensively caulking and sealing the outside wall.
- ✓ Insulate hot water pipes and your hot water tank.
- ✓ Maintain your heating and cooling systems. Have the systems checked once per year by a professional service person. Change your furnace filter once monthly during the heating season. Keep radiators, ductwork and vents clean and free of obstructions.
- ✓ Set your heating thermostat to 65 degrees during the day and even lower when you are sleeping at night. Moving your thermostat from 70 to 65 degrees can save you 10 percent on your energy bills.
- ✓ Plant evergreen trees on the northwest corner of your property to block winter winds and save up to 25 percent on your heating bill. Windbreaks planted on three sides of the house can save up to 40 percent on your heating bill.
- ✓ Plant shade trees (deciduous trees) on the west and south sides of your house. In winter, deciduous trees without their leaves let in the sun to warm your home. In summer, they can block 70 to 80 percent of the sun's radiation. Shade trees do a better job of cooling a building than do venetian blinds, plastic coatings, or reflective coatings on windows.
- ✓ Shade your air conditioner to increase its efficiency by 10 percent during peak periods. Air conditioners in a fully shaded house need to work only one-half as much as those in an unshaded house.

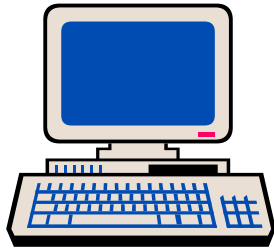
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Weatherization

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While many of these weatherization measures are low-cost, others may represent a burden to low-income families. The U.S. Department of Energy offers a weatherization assistance program. See their web site at www.eren.doe.gov/buildings/weatherization_assistance.

Community action councils and service organizations in local communities throughout Central Appalachia also offer programs to assist with home weatherization. Check the list of organizations on page 12 for a group in your area, or try contacting local social service agencies.



Kellogg Awards \$15,000 for Information Technology Initiative

The W.K. Kellogg Foundation has awarded Brushy Fork \$15,000 to be used for an information technology initiative. The funds will be used to explore new technologies for increasing the scope and effectiveness of our work.

Expanded use of technology may include:

1. Online discussions, listserves, newsgroups or chats to foster information exchange among program participants, partner organizations and others in the region;
2. Video conferencing or other types of "virtual meetings" to reduce the need for excessive travel, which is both time consuming and ecologically unsustainable; and
3. Using information technology as a facilitation tool to foster interactive group processes.

Our appreciation goes to the Kellogg Foundation for helping launch this exciting stage of our work.

Substandard Housing Defined

At what point is housing considered substandard? The Bureau of the Census and the U.S. Department of Housing and Urban Development (HUD) classify residential housing units according to whether the units have physical or structural deficiencies as follow:

1. It lacks hot or cold water or a flush toilet, or both a bathtub and a shower.
2. The heating equipment has broken down at least three times for six hours or more during the previous winter, resulting in the unit's being uncomfortably cold for 24 hours or more.
3. It has no electricity, or it has exposed wiring and a room with no working wall outlet and had three blown fuses or tripped circuit breakers during the previous 90 days.
4. In public areas such as hallways and staircases, it has no working light fixtures, no elevator, loose or missing steps and loose or missing railings.
5. It has at least five basic maintenance problems such as water leaks, holes in the floors or ceilings, peeling paint or broken plaster, or evidence of rats during the previous 90 days.

A residential housing unit is classified as having "moderate" physical problems if it does not have any of the severe problems, but has one or more of the following deficiencies:

1. On at least three occasions in the past three months, all flush toilets were broken for at least six hours.
2. Unvented gas, oil or kerosene heaters are its primary heating equipment.
3. It lacks a sink, refrigerator, or either burners or an oven. (HUD will now allow a microwave in place of a cooking stove.)
4. It has three of the four hallway or staircase problems listed above.
5. It has at least three of the basic maintenance problems listed above.

Housing Organizations (continued from page 13)

Virginia Fair Housing Office
3600 West Broad St., 5th floor,
Room 554
Richmond, VA 23230
888.551.3247
www.fairhousing.vipnet.org

Virginia Housing Development
Authority
601 S. Belvidere St.
Richmond, VA 23220
800.968.7837
www.vhda.com

Virginia Department of Housing &
Community Development
The Jackson Center
501 North Second Street
Richmond, Virginia 23219-1321
804.371.7000
www.dhcd.state.va.us

VMH, Inc.
930 Cambria Street
Christiansburg, VA 24073
540.382.2002

West Virginia

Community Action of
Southeastern WV (CASE)
212 Federal Street
Bluefield, WV 24701
304.327.3506
(Mercer, Monroe & Summers
Counties)

Clay Mountain Housing
PO Box 58
Clay, WV 25043
304.587.4397

CommunityWorks in West
Virginia
PO Box 890
Elkview, WV 25071
304.965.2241

Eastern WV Community Action
Agency
401 Maple Avenue
Moorefield, WV 26836
304.538.7711
(Braxton, Grant, Hardy,
Pendleton, Hampshire, Mineral,
Morgan, Nicholas, Pocahontas, &
Webster Counties)

Greenbrier Community Services
110 East Fair Street
Lewisburg, WV 24901
304.645.6331

Harts Community Development
PO Box 456
Harts, WV 25524
304.855.9480

Randolph Co. Housing Authority
PO Box 1579
Elkins, WV 26241
304.636.6495
(Barbour, Randolph, Upshur, Lewis,
Pendleton, Tucker Counties)

Stop Abusive Family Environments
PO Box 234
Welch, WV 24801
304.436.8117
(McDowell, Wyoming, & Mercer
Counties)

WV Housing Development Fund
814 Virginia Street, East
Charleston, WV 25301
800.933.9843
www.wvhdf.org

Brushy Fork Institute
Berea College CPO 2164
Berea, KY 40404
859.985.3858

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