



OEC

December 11, 2014

Director Melvin L. Watt  
Federal Housing Finance Agency  
400 Seventh Street SW, Eight Floor  
Washington, DC 20024

*Attention:* Comments/RIN 2590-AA39

Re: Notice of Proposed Rulemaking and Request for Comments (RIN 2590-AA39)

Dear Director Watt:

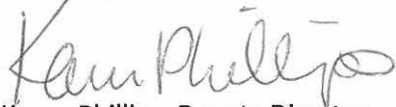
As a leader of an organization that works in affordable housing and community development, I have been one of many on the front lines of a long-standing effort for safe, decent and affordable housing in neighborhoods in the state of Arkansas. The last several years have presented overwhelming pressures and struggles within the housing community as traditional sources of financial support have declined. One of the very few consistent resources for affordable housing grants in my state has been the Federal Home Loan Bank of Dallas. Every year, millions of dollars are provided across FHLB Dallas' five state District – providing for the unmet housing needs of low- and moderate-income working families.

Your proposal shrinks the overall amount of money flowing through the FHLBanks and into the communities served by their member institutions. That flow creates revenue and earnings that produce the FHLBanks' very ability to provide a variety of grants and services to those of us in the affordable housing and community investment sectors.

Without the participation of FHLB Dallas members like First Security Bank, stories like those of Cypress Point Apartments, an affordable senior apartment complex in rural Arkansas that desperately needed rehabilitation, would not be possible. The apartment community received a \$168,000 Affordable Housing Program grant toward the renovation sponsored by First Security Bank, thus helping to preserve crucial affordable housing in the area. This is just one example of the impact FHLB Dallas members have on our community.

The housing community has been hit continually by budget cuts, economic declines, and political opposition at the local, state, and federal levels. By imposing the additional membership requirements on the FHLBanks, we will no doubt experience a diminished amount of funding in the affordable housing space. We do not want changes to one of our last, truly dependable mechanisms for support. We request that you reconsider your proposal, and allow FHLB Dallas members to continue as a source of gap financing and other project funding in our neighborhoods.

Sincerely,

A handwritten signature in cursive script that reads "Karen Phillips". The signature is written in black ink and is positioned above the printed name.

Karen Phillips, Deputy Director

# 2014 Annual Report

HOME Ownership and Asset Development Center  
*Helping you build a brighter future.*



Knowledge That  Enables You.

## Programs & Accomplishments

A Letter from the Director

Homeownership Counseling and Homebuyer  
Education

Housing Counseling

Financial Management Education

New Construction- Self Help Program &  
Bluebird

Individual Development Accounts  
Event

*Director Watt,  
Please open to  
middle section to  
see projects funded with  
AHIP.*

# A Letter From The Director

The Homeownership and Asset Development Center is more than just homeownership. Yes, we **promote** homeownership, we **preserve** homeownership, and **develop** homeownership opportunities. We also **engage** residents in community development. We **serve** the housing needs of the community including helping those who are homeless become stabilized and providing financial management to anyone who wants to attend. We help families obtain long term assets that give them a hand up in life.

In years when our numbers are not as high as they had been in previous years, I can become disappointed. However, I can't remain discouraged for long when I look at each individual success in the way I should: with an appreciation for the effort the family took to improve their living conditions, with focused attention towards the difference it will make for them for years to come, and with thankfulness that we get to be part of that difference.

Helping just 136 families into homeownership this past year meant that 200 children will receive the proven benefits of homeownership: stability, health benefits, learning benefits, and opportunity. We have included throughout this report just a few examples of the lives touched through these programs. Imagine if we were to tell every story, our report would certainly be longer, but the point is that each story is unique, worthy of telling, and a happy building block for strengthening families. In fact, 90% of those who were surveyed this past year said that they felt their family had been strengthened as a result of purchasing their own home.

We know here at C-SCDC that homeownership is not for everyone. Sometimes it is a ball and chain for those who prefer moving around more often. But...for everyone that homeownership lights a spark in their heart, we are here to help promote, preserve, and develop that spark.

"I feel that in a small way we are doing something important. Satisfying a fundamental urge. It's deep in the race for a man to want his own roof and walls and fireplace, and we're helping him get those things in our shabby little office."

Pa Bailey, It's a Wonderful Life

*The Homeownership and Asset Development Center is a program of Crawford-Sebastian Community Development Council, Inc.*



*Karen Phillips  
Lead with your heart*

# Homeownership, Counseling and Homebuyer Education

## Homeownership

Sheniqua Chambers, walked into our office about a year ago, as a young mother of an energetic three year old. Sheniqua was determined to beat the stereotypes that come with being a “teen mom”. Her goal was to provide her daughter with a safe and stable home. To meet her goals she committed to our program taking every class she needed provided by C-SCDC. By July, she was able to move into newly remolded home and she could not be happier.

RACE	Purchased their own home
Black	9
Asian	2
White	85
Hispanic	40

This is why we at the Homeownership and Asset Development Center equip families with the knowledge and financial management skills it takes to open the door to owning their own home and building a brighter future. It is with great pride that we can report that we have supported 136 families in attaining their version of the American dream. Out of these household we were able to help a total 200 children with 94 of those children coming from single parent families. When a client comes through our door, their average credit score is 586, below what the necessary score is needed for homeownership in today’s market. We help our clients come up with an action plan to get their finances in order, to budget their money, and improve their credit, and obtain their goal of homeownership.

## Homeownership Counseling and Educational Classes

“I really enjoyed the class and learned a tremendous amount about buying and owning a home. The down payment assistance was a wonderful and appreciated gift that I will be forever grateful for.”

–Brianna Wait

Race	Counseled
Asian	17
Black	140
Hispanic	294
Indian American	3
White	592

In 2014, we counseled a total of 1046 households through our agency either individually or in classroom setting. The classes we offer are changing the way people spend their money, the way they think about their credit, and the confidence in which they are able to have when making decisions about buying or refinancing their home. Throughout the year we offer classes on home financing, budgeting, and home maintenance. Our Homebuyers’ Education classes are given twelve times a year, this class provides information on the benefits and responsibilities of homeownership. Our financial management course is an eight hour class that educates our clients on how to maintain their credit and how to save and manage their money. Our home maintenance course is offered once a month and is part of our home rehabilitation program for emergency home repairs. It teaches how to keep their home energy efficient, how to do minor repairs, and warning signs to look for in their home.

For 2014, the number of households that attended these classes are as follows:

- 31 households attended Financial Management Classes
- 145 households attended the Pre-purchase Home Buyer Education Workshop
- 16 households attended the Home Maintenance Workshop



## **New Construction**

Michael and Joanne Venable are currently in the last phase of building their new home. They chose to build in Cedarville near our Bluebird Addition using the Mutual Self-Help Program. This couple previously lived in a home in poor condition that was unsafe. The only thing that Mrs. Venable wanted was to be able to move into her home before Thanksgiving. Mr. Venable says "I had a great experience... I'm looking forward to moving in and spending time with my grandkids and great grandkids during the holidays."

The Mutual Self Help Housing Program provides the opportunity for families to work together and build their own energy efficient home in a rural area. We completed 5 homes this year under this program. Participating families physically work on their homes which means that they move into their home with equity, on average over \$13,000 equity. Typical rural areas do not have as many opportunities for families to obtain high quality affordable housing. This program helps rural families build a decent, energy efficient home that they can afford, while still being able to pay for groceries and child care.

## **Housing Rehabilitation**

After a long battle with throat cancer, Richard Boisvert (pictured to the right with his wife Mary) health issues landed the couple in a rut that was difficult to get out of. Richard requires regular doctor's appointments, rigorous care, and expensive speaking machines that must be regularly replaced. Living in an old home with poor insulation was especially difficult because Richard



was unable to be around excessive amounts of dust or dirt because he has no filter in his throat to keep those particles from traveling straight to his lungs and hindering his breathing. C-SCDC has accommodated them financially and after three years of paperwork, improving their credit and fulfilling all the requirements necessary, the Boisvert's house was demolished and a new house was constructed in its place. "It really feels like", Mary says, "they are making our dreams come true. I just can't believe it sometimes."

The home rehabilitation program provides emergency home repairs to primarily elderly and disabled persons. Many of these elderly or disabled families are raising children in unsafe living conditions. Most of the time the elderly persons have aged within their homes and become no longer able to take baths or get in and out of their home without great difficulty. A number of repair projects were leveraged with the City of Fort Smith and our Weatherization department.

★  
C-SCDC funded

## Acquisition & Rehabilitation



C-SCDC acquires sub-standard homes within the city of Fort Smith and rehabilitates them bringing them up to State and Local codes. Once completed, these homes are then sold to hardworking families or disabled individuals. This program not only provides much needed decent affordable housing but it also greatly improves the appearances of neighborhoods in Fort Smith. For 2014 we were able to fund two of these projects for the year, with both being sold within three months of completions. Below, this home is shown before and after rehabilitation.



*\* A HP funded*

## Individual Development Accounts

Our Individual Development Account provides a 3 to 1 ratio of match funds for Home Repairs, Starting or Capitalizing a new or existing business, College Tuition/Books, and homeownership. Applicants must attend financial management classes, learn to save and then purchase a long term asset with their savings. By teaching families how to save and manage money, this program increases opportunities for families to succeed.

Completed Asset Purchase for 2014	
HOME	8
BUSINESS	0
EDUCATION	1
HOME REPAIRS	6

In 2014, 57 people were enrolled in our IDA, and 15 clients reached their goal. We were able to give out \$38,000 in AFI and DWS grant money for the year. Now next year, we are expecting this number to grow, having 26 people still enrolled and working on the way to achieving their goal.



## Emergency Solutions Grant



This program helps the homeless by providing assistance to get them back into homes and off the street. When they come to us they are currently living in local homeless shelters or places not meant for human habitation. These individuals have sources of income and we help by providing the help they need for deposits for rent and utilities. For 2014, we were able to place 36 homeless individuals/families into a stable home.

Rewind to one year ago. Crawford County Veteran Andrew was homeless, staying at the Gospel Rescue Mission in Van Buren, and going through a messy divorce. He was getting counseling through the Veteran's Administration because he had a lot going on in his life; his credit was less than desirable. Anita Karbo at the VA called Patty, the ESG Case Manager to see if Andrew qualified for housing assistance under the Emergency Solutions Grant program. After meeting and discussing his situation and the program's limitations and requirements, it was decided that Andrew, who was working and performing his National Guard duty on weekends, would be a good fit for the program. CSCDC helped Andrew with the upfront deposits to get into a home, a barrier that many homeless individuals can never get past when trying to move from off of the streets into housing. He also received help with budgeting and as a result was able to maintain housing. In 2014, Andrew gained placement of his two children. He still lives at the same apartment complex but has upgraded to a two bedroom apartment. He has also continued working on his financial situation, improving his credit score to 700. Andrew has plans of chasing the American dream and purchasing his own home through the Home Ownership Programs that CSCDC offers.



What a difference a small financial infusion made in the life of this family of three!





## Partnerships

Because of our partnership within our community we really make a difference. All of the partners have a common goal. This goal is more than just houses. This goal is for peoples of different incomes, diverse backgrounds and people of different races and nationalities can come together and live in a community united. We have been fortunate to build strong links with many leaders both nationally and within our community:

- Arkansas Development Finance Authority
- NeighborWorks America
- US Department of Housing and Urban Development
- City of Fort Smith
- USDA Rural Development
- DHS
- United Way
- Department of Workforce Services
- Federal Home Loan Bank of Dallas
- Bancorp South
- Arvest Bank
- Benefit Bank
- Bank of the Ozarks
- State Farm
- Over 90 realtors trained in programs of C-SCDC
- Over 20 local lenders participating in our down payment assistance programs
- Old Fort Homeless Coalition
- Housing Assistance Council
- ACHANGE, Arkansas Coalition for Housing and Neighborhood Growth for Empowerment

Thank you to all of our partners, we are grateful for the trust you've placed in us. We could not do what we do with your help.





## Events

In 2014, C-SCDC has had some great accomplishments as you have read. New construction is going on in Cedarville in our new sub-division, Bluebird Addition. We are so excited to offer this affordable housing opportunity in the small rural town of Cedarville. In April, after the ground breaking Crawford Sebastian Community Development Council helped the community of Bluebird celebrate Arbor Day by planting 45 Maple and Redbud trees throughout the community; replacing the trees that were tore down due to construction, this was very important

for C-SCDC and the surrounding residents. This event allowed all of us to work together to help beautify their neighborhood. The volunteers consisted of officials of the City of Cedarville, Arvest bank, and Cedarville High School students. They helped plant the trees ergonomically around the subdivision. C-SCDC anticipates to continue to build and grow deep rooted relationships within this community, and hopes events like this build a stronger neighborhood that works together.



In addition to the Arbor Day project, our staff came together in November for another beautification project. This time focusing on the entrance of the addition. With the first phase completed we are now focusing on producing welcoming signage and will complete this project in early spring.



Phase I of the project completed. November 8, 2014