Brainstorming Program Improvements
History of Self-Help

- Rural Development began funding mortgages through their 502 program in the 1960's
- In 1971 Rural Development began the 523 Grant Program
Over 53,000 homes have been successfully built through this method.

At one time, all 50 states have participated in the Rural Development Mutual Self-Help Program.
Self-Help Regulations

- Started as 1933-I – required a certain hourly contribution by the participants
- Then 1944-I in 1990 – required 65% labor contribution
- Regs updated 12/12/19 – Just incorporating ANs
The door might be open…but where do we start?
Self-Help Core Values

- Family labor contribution
- Mutual construction
- Serving VLI/LI
- Sweat equity/ cost savings/TA Cost
- Training and education
- Affordability / Modest housing
- Other – Reporting?
Family Labor Contribution

- New const - Families must complete a minimum of 65% of the construction labor tasks
- Rehab – 10 hrs. per $1,000 of repair costs done by the family
Mutual Construction

- Group sizes – minimum of 4
Serving VLI / LI

- At least 40% VLI, the rest LI
Sweat Equity / Cost Savings / TA Cost

- No minimum requirement of sweat equity for new construction
Cost savings - Goal for Acquisition rehab to be equal to have TA no greater than cost savings
Training and Education

- Preconstruction meetings expected
Affordability / Modest Housing

- Participants have to qualify
- Housing size maximum is 2000 sq. ft.
Reporting

- SHARES
- Quarterly reports and meetings
- Board evaluation
- QCA