

BLESSED HOUSING

St. Andrew's Housing Group

by Linda Hall, Executive Director

BACKGROUND

St. Andrew's Housing Group (SAHG) is a private, nonprofit corporation, founded in 1989 by members of St. Andrew's Lutheran Church. Congregation members responded to the call by county government for an organization to provide affordable housing east of Seattle, where housing costs were quickly soaring out of the reach of families working in service-sector occupations.

The mission of the SAHG is "to provide quality housing communities for those in financial need on the Eastside." Its primary activity is the development and management of permanent affordable rental housing, through new construction as well as acquisition and rehabilitation. Today, SAHG owns and operates six affordable housing projects, which provide 190 units for families throughout the community, regardless of religious affiliation.

Our priority remains seniors and families, which we believe represent the two groups most in need of affordable housing. To be eligible to rent one of these units, an individual or family's earnings cannot exceed 60 percent of the median income. In 2001, median income for a family of four in King County was \$72,200.

In addition to housing development, SAHG is bound by its mission to encourage and support residents' efforts to develop greater choice and independence. SAHG residents who need support or access to family and social services are referred to Eastside service agencies, such as Hopelink, Catholic Community Services and other faith-based organizations that

"It was clear we needed to do more with our faith (than) run up and down the aisle proclaiming what we believe. Faith should speak through action."

Jim McEchran, pastor
of St. Andrew's
Lutheran Church

provide emergency financial assistance and food. A volunteer group of community members, the Resident Relations Committee, sponsor social events at different properties and provide welcome baskets to new residents.

ADMINISTRATION AND FUNDING

When approached by a fellow congregation member, church members agreed to provide an initial \$2,000 in start-up funds. They have since provided many thousands of volunteer hours, office space and annual benevolence gifts. The group of volunteers that "staffed" SAHG in the early years set up the organization as a 501(c)3. We are a non-religious organization governed by a twelve-member, all volunteer board of directors from throughout the community, and staffed by a director, housing developer, finance manager, fund developer, bookkeeper and administrative assistant. Program operations and ad-

ministration are funded through a combination of project development and management fees, contributions from individuals, businesses, charitable foundations and an annual fundraising auction.

Housing projects are funded using combinations of government funding, bank financing, local contributions and tax credit equity. For instance, the \$1.4 million cost of St. Andrews Arms, a 14-unit complex built in 1992, was met using \$500,000 in tax credits for National Equity Fund's investors along with county and state funds. These funds were critical to paying off bank loans, which enabled us to garner a very low interest rate on the permanent loan. Use of government funding to develop projects requires compliance with fair housing and nondiscrimination policies; therefore, SAHG cannot require residents to be of a specific doctrine. This has not presented any conflicts with the founders' intent.

CALL TO ACTION

The unique strength of St. Andrew's Housing Group is the involvement and commitment of the many volunteers who contribute time, talent and funds so generously to support its activities. Volunteers who serve on the board and on committees represent many sectors, including banking.

To learn more about our housing projects, please contact Linda Hall at (425) 746-1699 or via email: lindah@sahg.org

Lutheran Alliance to Create Housing

by Russell Beck, Executive Director



The Lutheran Alliance to Create Housing (LATCH)¹ is a faith-based nonprofit corporation, which functions as a coalition of Lutheran congregations located between Everett and Tacoma, Washington, dedicated to providing affordable housing. The LATCH mission is to advocate for and create high quality, affordable housing in the Puget Sound region² for families and individuals unable to pay market rents. Today, LATCH has 36 member congregations, and owns and manages 130 apartments and houses, providing stable, affordable homes to more than 350 people. In 1999, the average household income of LATCH residents was \$20,500 while the average rent on a 2-bedroom apartment in King County was \$800 per month or \$9,600 per year.

About 75 percent of units are operated as cooperative rental housing where each resident shares in the property's management and maintenance. Residents keep the grounds clean, collect rents, interview prospective tenants and participate in community meetings. Residents generally spend up to ten hours per month in cooperative activities. The goal of LATCH cooperative housing is to instill three key values: a protective environment, pride of place and personal development.

LATCH began in 1988 as a project of Lutheran Social Services (LSS). A handful of lay people from four Seattle-area Lutheran congregations came together to address what congregations could do about homelessness and the need for affordable housing. Early on,

the group decided that its purpose was twofold: increase the supply of affordable housing and serve as a resource to the local churches in their individual efforts to combat homelessness.

LATCH was designed as a federation of member congregations, each committing to pay annual dues of at least \$300 and to provide up to two members to represent their congregation. Some early congregations provided far more. Congregations often made donations far in excess of annual dues—all offerings of faith and hope for the future, given that no one at LSS or on the LATCH board had much expertise in housing. In addition to a passionate desire to address the need and faith in the future, the first LATCH board also had a sense of humor. In July 1991, with eight member congregations and \$12,000 in the bank, the board hired a half-time administrative coordinator at \$15,000 per year.

A year later, LATCH purchased the Easternwood Apartments, a 27-year old, eight-unit apartment building, and the adjoining vacant lot. In July 1993, construction of ten new townhouses began on the vacant lot along with a renovation of the eight older apartments. The \$1.9 million project was financed by a fifty-year, one percent loan from the state of Washington's Housing Trust Fund, a private bank

construction loan, tax equity from a limited partner in a low-income housing tax credit partnership, a deferred loan from King County, local Community Development Block Grant funds and \$119,000 in private donations including \$20,000 from individuals and churches.

The State of Washington, King County, the city of Seattle, and the Washington State Housing Finance Commission invested in three additional LATCH projects between 1994 and 1996. In 1996, LATCH purchased the nine-year old, 39-unit Bergan Place Apartments with a \$1 million deferred loan from the city of Seattle, a \$765,000 loan from the state, and a private bank loan of \$500,000. In June 2001, LATCH completed construction of Longfellow and Westwood Court Cooperatives, a 45-unit townhouse project, developed in part with a HOPE VI grant from the U.S. Department of Housing and Urban Development.

In 1999, LATCH played a critical role in creating new resources for housing when, along with hundreds of advocates, staff, board, residents, church members and volunteers, the organization worked diligently to carry an urgent message to legislators. House Bill 1345 became law on May 7, 1999, bringing operating stability to over 8,000 units of nonprofit-owned low-income housing throughout the state and increasing the financing available for low-income housing. By redirecting what had been reserved for taxes, nonprofit CDCs now have more available funds for debt service and can borrow more money from banks and less from government programs. As much as \$11 million per biennium in new bank loans for low-income housing may result from this legislation.

1 www.latch.org

2 *The Puget Sound region comprises five counties covering about 2000 square miles along Puget Sound bay.*

LATCH *continued*

Today, LATCH opens a new chapter of continuing growth and change as it responds to the challenges of providing affordable housing. With an operational budget of \$600,000 and a staff of 13, people and their ideas continue to be major organizational resources. Expertise in all areas of housing, fund raising and advocacy are critical to our continued success. LATCH actively seeks volunteers from the community to serve on our committees which include fund raising, advocacy and property development.

For more information please contact Russ Beck at (206) 789-1536 or via email: rbeck@latch.org.

ABOUT THE AUTHOR



RUSSELL BECK began his current position as executive director in May 2001. Prior to that Russ served as executive director of the United Way in Salem, Oregon. In this capacity he was involved in the development and construction of a new 6,300 sq. ft. community center and headquarters. He also saw United

Way double its contributions during this period. Previously, Russ was the executive director of two other United Way organizations.

Russ earned a full scholarship to the State University of New York at Buffalo as a defensive tackle where he played three years before an injury cut his football career short. He transferred to Portland State University where he graduated with a degree in English in 1973.

As a Holt International Children's Services board member, Russ has made five trips to India—what he terms "Stork Duty"—delivering eight children to new adoptive parents in the U.S. Russ and his wife Gretchen will celebrate their 30th wedding anniversary in February 2002 with their two children Jeff, 18 and Christine, 16.

Providence Housing

by Helen LaMar, Board Member

Providence Foundation Redevelopment Housing Project was conceived under the leadership of Calvin Jones, Jr., pastor of Providence Baptist Church in San Francisco, California (PBC). For some time, he and the congregation of PBC envisioned creating senior housing for a large number of seniors, who are members of the church and the community at-large. Further fact-finding and many discussions confirmed the vision that a great need indeed existed for senior housing in San Francisco's Bayview-Hunter's Point neighborhood. With this confirmation, the church moved to formalize plans to develop a quality senior housing project.

The primary and most formidable obstacle would be identifying land. Church leaders realized that the most readily available would be the land where the church's parking lot stands. However with the redevelopment and transit changes—including a proposed

light rail system—occurring along the corridor in front of the church, the church could not afford to give up its parking spaces. Spaces needed for not only two services on Sunday, but for patrons of the numerous church activities held during the week. The final solution was to build a mixed-use development with ground-level commercial space, sub-level parking and residential units above the commercial and parking areas.

Providence Foundation of San Francisco (PFSF) was organized and met with local city officials to discuss the merits of the project. Once city officials were onboard, PFSF set out to seek a nonprofit, housing development partner for the project. After many months of searching, PFSF has developed a memorandum of understanding with two partners: Christian Church Homes and the San Francisco Housing Development Corporation. Each partner brings strength to the

project that will result in a successful HUD 202 application and, ultimately, a successful development.

In February 2001, a final decision was made to move forward with the development. The projected \$13 million project will yield 58 units of very low-and low-income senior housing. As with any project of this magnitude, financing is expected from a combination of sources, which have been identified so far to include HUD's supportive housing for the elderly program (Section 202),¹ the Mayor's office and the San Francisco Redevelopment Agency.

The foundation president, James Blanding, can be reached by phone at (415) 642-0234 or via email: jblandingsprint@earthlink.net.

¹ www.hud.gov:80/progdesc/2eldrl14.cfm