CHANGING PARADIGMS FOR DELIVERING ENERGY EFFICIENCY TO THE LOW-INCOME CONSUMER BY COMPETITIVE UTILITIES: THE NEED FOR A SHELTER-BASED APPROACH[1/]

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Two trends are adversely affecting the delivery of energy efficiency improvements to low-income households today. On the one hand, federal budget cutbacks have resulted in significant reductions in funding provided for low-income energy assistance. For Fiscal Year 1996, the Weatherization Assistance Program (WAP say program funding reduced by almost fifty percent (50%). In addition, federal funding reductions have hit the Low-Income Home Energy Assistance Program (LIHEAP) hard. In Fiscal Year 1996, LIHEAP agencies transferred fewer dollars to weatherization initiatives. As fuel assistance funds are further reduced, the expectation is that such transfers will be reduced even further, if not eliminated.

At the same time government funding for low-income energy efficiency is being reduced, utility companies are beginning to reduce their demand side management (DSM) efforts as well. Utility energy efficiency efforts are falling prey to the perception that low-income energy efficiency cannot be cost-justified in a competitive industry. As electric industry restructuring proceeds, therefore, what low-income programs *had* been undertaken are frequently being scaled back.

While significant, these two trends are not the focus of this discussion. Instead, the thesis of this paper is that low-income energy efficiency can still be delivered at historic, is not expanded, levels by substituting private debt financing for grants historically provided through utility DSM

[1/] This paper was originally prepared for presentation to the National Association of State Energy Officials (NASEO) (Chicago 1996).

and government low-income programs. The mechanisms for pursuing such low-income energy efficiency is through the development of partnerships with agencies and institutions --public and private-- involved with affordable housing development.

If this suggestion is adopted, low-income energy efficiency programs would frequently not exist as a stand-alone program.[/2/] Instead, the paradigm for pursuing low-income energy efficiency would transfer from one of state regulatory commissions seeking to control the design and management or utility programs offered as a part of utility service, and from one of state WAP agencies delivering a federally-funded social service, to a paradigm where the delivery of energy efficiency is accomplished through state energy offices providing leadership to develop and facilitate shelter-based partnerships. To the extent that WAP and utility programs continue to exist--which they should--they can form a part of this larger shelter-based delivery approach.

The purpose of this paper is to outline a first step in making this transformation of the delivery of energy efficiency into a shelter-based approach. The paper is presented in three parts: *Part 1* presents the overall objective and strategy for energy officials to pursue as part of the new shelter-based paradigm. *Part 2* presents an introductory initiative for a shelter-based energy efficiency program. Finally, *Part 3* introduces the scope and magnitude of a variety of housing programs which could serve as ideal starting places for a shelter-based energy efficiency partnership. Data from a variety of housing programs for states in the Midwest are used for illustrative purposes only.

THE OBJECTIVES OF A SHELTER-BASED INITIATIVE

The basic premise of this proposal for a shelter-based low-income energy efficiency initiative is that if utility DSM programs and federal WAP dollars are no longer available, institutions interested in delivering energy efficiency to low-income households must find alternative sources of funding. The benefits of energy efficiency are difficult to dispute today. Energy efficiency can lower consumption and make bills more affordable. This impact redounds to the benefit of the low-income household as well as to the utility provided that household with energy service.s In addition, the benefits of increasing the affordability of housing benefit a wide variety o of stakeholder. As with energy efficiency, increasing the affordability of housing benefits everyone, including utilities.

Pursuing energy efficiency improvements as one component of a broader affordable shelter process seems to be a natural marriage. "Affordable housing" should consider the affordability of operating costs of owning a home. Indeed, the failure to marry housing and energy efficiency in the past has been more the result of an historic accident rather than a conscious policy decision. Today, however, to the extent that

/2/ Some would, but not all.

energy efficiency an now be attached to existing housing programs, all who are affected would benefit (particularly in light of the reductions in stand-alone energy efficiency funding at the federal and utility levels).

Given this discussion, the objective of state energy officials with regard to the delivery of low-income energy efficiency should be to eliminate energy *in*efficiency in housing supported by programs otherwise designed to promote affordable housing. The strategy of state energy officials should be to create partnerships between existing providers of low-income energy efficiency services and existing providers of affordable housing services. More specifically, this strategy should be to create partnerships between utilities, existing providers of low-income weatherization (WAP) services, and affordable housing programs.

FIRST TIME HOME BUYER PROGRAMS: A SHELTER-BASED LOW-INCOME ENERGY EFFICIENCY INITIATIVE

As a general rule, first time home ownership programs seek to address the up-front costs of owning a home. These programs involve attempts to overcome those front-end barriers by offering benefits such as: (1) reducing or waiving fees (or including fees in the mortgage); (2) reducing downpayments from five to three percent (or lower); or (3) financing the points. Unfortunately, these programs do not directly address operating costs. Even where front-end costs are brought down to affordable levels, therefore, monthly operating costs such as energy bills pose problems to the first time home buyer.

The Energy Efficiency Role in a First Time Home Buyer Program

In many states, electric utilities will provide "free" energy efficiency audits upon demand.[/3/] Moreover, Community Action Agencies (and other WAP sub-grantees) have an expertise in performing energy efficiency audits on single family detached units.

These two processes --first time home buyer programs and energy efficiency audits-- could naturally be tied together. Indeed, state energy offices should propose to each utility in their respective states that, in partnership with the first time home buyer programs in its service territory, the utility agrees to provide --including funding CAAs to provide-- energy efficiency audits as a matter of course to homes that are

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/3/ There are, however, several limitations on this activity. Perhaps most significantly, the utility audit does not involve a blower door audit and the utility will not install the energy efficiency measures which the audit identifies as being cost-effective. Having the utility provide the audit offers certain advantages. First and foremost, in many states, all utilities offer free energy efficiency audits upon demand. If a successful program can be developed in one company's service territory, having a utility partnership would make it easier to expand the partnership to other parts of the state.

being purchased through such programs. A "request" for the energy efficiency audit can be made a part of the process through one of two mechanisms: either (1) as part of the application for credit; or (2) as a prerequisite to closing on the purchase transaction.

The energy efficiency audit would then be performed in much the same way as a building inspection is performed. It would be similar to the requirement in New England that mandatory lead paint inspections be performed; in some other states, mandatory radon testing is performed as a part of the financing of a home purchase. The report on what energy efficiency improvements are found to be cost-effective from the perspective of the home buyer will then be provided to both the home buyer and to the agency administering the first time home buyer assistance program.

The issue, of course, is how an individual or household who is economically marginal enough to qualify for the first time home buyer assistance program in the first place will finance the energy efficiency improvements. On suggestion in Florida was to use state housing trust fund dollars[/4/] as a source of loan funds, with the home buyer being allowed to borrow up to $2000 for efficiency measures. Through SHIP, this loan could be added to the second mortgage. When the house is sold, the loan would be repaid to the city or county government that administers the SHIP program. The utility, also, could agree to take a second mortgage; the loan (plus interest) would be repaid at the time of the property transfer. This process has the advantage of generating the energy bill reductions through the installation of the energy efficiency measures while not increasing the mortgage payments to pay for the energy efficiency improvements.[/5/]

A second means for financing the energy efficiency improvements identified by the energy efficiency audit is to reply upon HUD's Energy Efficiency Mortgage (EEM) program, the availability of which has recently been expanded nationwide. Through an EEM, to finance energy efficiency improvements, home buyers can borrow up to an additional $4000 over and above the cost of the home to be added to the home purchase mortgage. So long as the present value of the savings generated by the energy efficiency measure exceeds the present value of the additional cost of the mortgage, the additional financing will be provided irrespective of loan-to-value ratios of debt-to-income ratios. According to HUD officials, the funds necessary to pay for the actual installation of the energy efficiency measures identified by the audit could be escrowed at the financial institution providing the mortgage. The contractor would be paid out of the escrowed funds. If excess funds remained after the energy efficiency measures were installed, those excess funds would be used to reduce the principal amount of the

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/4/ The Florida state housing trust fund is known as SHIP (State Housing Initiatives Program).

/5/ If done through SHIP (or some other housing trust fund), however, it has the disadvantage of placing another demand on SHIP funds, which may already be fully committed.

mortgage. This process has the advantage of being susceptible to pre-arranged agreements for participating banks to fund whatever cost-effective energy efficiency improvements are identified by the utility audit.

One question which remains involves the role for local Community Action Agencies (CAAs)[/6/] in this energy efficiency partnership. The possible role for CAAs in this first time home buyer partnership is three-fold:

1. First, the CAAs could be the institution which provides the initial energy efficiency audit. This would have the advantage of using the more extensive and sophisticated WAP audits rather than the less extensive utility audit. If the audit is not paid for by the utility (even though delivered through the CAA), it would have the disadvantage of requiring the expenditure of additional fees by the first time home buyer since the CAA audit would not be available for "free." The costs of the audit would have to be paid by the home buyer and rolled into the financing of the home. It would have the further disadvantage of not providing the "sex appeal" that a utility partnership would offer to efforts to expand the overall partnership program statewide to other utility service territories.

2. Second, the CAAs could be the "peaking" capacity for audits otherwise provided by a utility. One utility with whom this program was discussed, for example, was not sure of the extent to which the "peak demand" for home ownership purchases coincided with the peak demand for energy audits at the utility. The utility indicated that its peak energy audit season tended to be in the late summer and early fall after the extremely hot weather of summer. While having no ready empirical analysis to support this notion, the peak season for home purchases instead seems to be in the spring and summer, in time for residence changes to be made outside the school year. The role for the CAAs, however, would be to provide (at utility expense) energy efficiency audits if the peak demand for such audits caused by the homeownership partnership exceeded the company's capacity to deliver such audits in a timely fashion.

3. Finally, the CAAs would be reasonable contractors to use in the actual installation of the energy efficiency measures. Even if the CAAs did not do the audits, in other words, they could become part of the partnership on the contracting side of the equation.

Attachment A presents in display form the potential for a shelter-based energy efficiency initiative. As the Attachment makes clear, the

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/6/ References to CAAs will be used as a surrogate for references to all WAP subgrantees, recognizing that some WAP subgrantees are not CAAs.

importance of the initiative lies with the creation of the partnership. In fact, few of the partners, if any, would be asked to do something which they do not already do as a matter of course. Consider that:

- The housing agencies do intake and credit screening for home purchase mortgages, just as they do in any event within the context of a First Time Home Buyer program;

- The state WAP agency would commit WAP dollars, and provide training and technical assistance on audit techniques, just as they would do in any event;

- The utilities would finance the actual energy efficiency audit. Indeed, this action on the part of the utility is substantially less, since the utility is not being asked to provide the funding to implement the measures identified to be cost-effective;

- Local Community Action Agencies (CAAs) will perform the audit and would be available to serve as the contractor for actual measure installation, jus as they would do in any event;

- Private financial institutions (banks, community development financial institutions) would provide debt financing for the energy efficiency financing. These institutions would likely need to take advantage of the HUD Energy Efficiency Mortgage (EEM) program, which while still relatively new, is nonetheless an existing, proven program with existing administrative procedures.[/7/]

One partner which would be approached for a specific commitment that historically has not existed are state and/or local Community Development Block Grant (CDBG) programs. These agencies would be asked to capitalize a loan guarantee fund to help alleviate any concerns about potential defaults.[/8/] State energy offices would be asked to take the lead in planning, coordinating, and facilitating the creation of the energy efficiency partnerships.

Attachment B lays out the steps of a First Time Home Buyer transaction which involves an energy efficiency component. As Attachment B

/7/ Unfortunately, EEMs are usually considered only within the context of Energy Rate Homes (ERHs) and Home Energy Rating Systems (HERS). Nothing inherent within EEMS, however, requires their use *solely* within this context.

/8/ If EEMS are used, however, loans would be FHA insured, and no CDBG guarantee would be needed.

demonstrates, the steps would be virtually the same as a First Time Home Buyer transaction with*out* the energy efficiency component. The application would be the same. The closing would be the same. The financing would be the same (with the exception of the EEM escrow). The debt servicing would be the same.[/9/]

The Mutual Benefits from an Energy Efficiency Partnership with First Time Home Buyer Programs

As a whole, the advantages of the proposed partnership cut across the spectrum of the participants. As a result of this partnership,:

- o The utility company benefits by:
  - -- Promoting homeownership stability amongst its low-income population;
  - -- Increasing the efficiency of energy usage amongst its low-income population thereby minimizing the chance of payment-troubles;
  - -- Increasing low-income participation in its energy efficiency programs, thereby meeting regulatory and political goals; and
  - -- Associating and helping to increase the success of the politically popular goal of increased homeownership.
- o Low-income home buyer participants will benefit by:
  - -- Increasing both the affordability and the comfort of their new home;
  - -- Addressing energy efficiency issues at the time when their attention is already focused on the process of home purchasing; and

/9/ Indeed, if as suggested above, repayment of the energy efficiency component of the loan is deferred until the next transfer of the property, the debt servicing would be affected not at all.

-- Taking advantage of pre-established partnerships to (a) obtain the energy efficiency audit; (b) obtain the energy efficiency financing; and (c) obtain the energy efficiency installation; without significant expenditures of time or resources to arrange such activities on their own.

- o Banks will benefit by reducing the risk of mortgage defaults.

- o Housing groups will benefit by increasing the affordability of housing for their clients. Housing groups will benefit, as well, by having the ability to add an energy efficiency component, directed at improving overall housing affordability, to potential negotiated CRA agreements.

- o Weatherization agencies will benefit by generating revenue through the offer of their expertise with energy audits and energy efficiency installation.

- o Finally, the state will benefit by helping to create a "demand" for Energy Efficient Mortgages such that financial institutions will begin to lead initiatives to ensure that EEMs are commonly offered.

Presumably, as well, each member of the partnership will benefit by developing the contacts and relationships with the other partners thus leading to the identification of other potentials for joint undertakings.

THE SCOPE AND MAGNITUDE OF POTENTIAL FIRST TIME HOME BUYER PARTNERSHIPS

There is substantial potential for energy efficiency programs to enlist housing programs as partners in a shelter-based energy efficiency initiative. As Attachment A shows, existing First Time Home Buyer programs are supported by federal funding (such as through the HOME Investment Partnership), through state programs (such as Mortgage Revenue Bond and Mortgage Credit Certificates), through private lending (such as bank affordable housing programs offered in compliance with Community Reinvestment Act [CRA] obligations), and other state (*e.g.*, Housing Trust Fund) and private (*e.g.*, Neighborhood Reinvestment Corporation) programs.

Mortgage Revenue Bonds/Mortgage Credit Certificates

State Housing Finance Agencies (HFAs) provide considerable assistance in promoting first time homeownership. By 1991, of the 600 affordable housing programs operated by HFAs around the country, 225 were homeownership programs. According to the National Council

of State Housing Agencies:

> The Mortgage Revenue Bond (MRB) Program is the primary homeownership program operated by State HFAs. Under this federally authorized program, HFAs issue tax-exempt bonds and use the proceedings raised from investors to fund mortgages through private lenders to lower income, first-time homebuyers purchasing modest-priced houses. . .
>
> In general, MRB borrowers may not have incomes higher than 100% or 115% of the area or state median household income, whichever is greater. The average MRB loan goes to buyers at or below 80% of the national median income. In addition, MRB loans may only be used to buy homes costing no more than 90% of the average area purchase price.

The Council reports that from the program's inception through 1992, state HFAs had assisted more than 1.6 million lower income American homebuyers through the MRB Program. More specifically:

> In 1990, State HFAs made more than 131,000 MRB loans to borrowers with an average income of $28,568, approximately 80% of the national median family income of $35,700. The level was well below the average income of $44,500 for homebuyers with conventional mortgages purchasing their first home and the average income of $53,000 for all conventional buyers. In 1990, MRB borrowers bought homes costing an average $59,705 -- far less than the average sales price of $111,100 for conventional first-time home purchases and the average sales price of $144,100 for all conventional home purchases.

Table 1 shows the extent of the MRB activity in six Midwestern states.. The units of production over the 15 to 20 year period during which the various state programs have existed have reached to the tens of thousands of units. Mortgage Credit Certificates are provided through a closely-related program which reaches additional thousands of units.

HOME Investment Partnership

One of the primary housing development, and homeownership, programs by the federal government is the Home Investment Partnerships Program (HOME). Created in 1990, the HOME program is a federal housing block grant, which provides funds to states and localities to undertake flexible, wide-ranging housing activities through partnerships among states, localities, private industry and non-profit corporations. Funds are distributed using a needs-based formula, and activities are targeted at a minimum to those with incomes below 80 percent of area median income.

Table 2 (page 1) shows the magnitude of dollars flowing to the states through the federal HOME program. Table 2 (page 2) shows the uses to which one state, Minnesota, has put its HOME dollars. As can be seen, while much of the HOME money goes to rehabbing rental and owner-occupied properties, a significant portion goes to First Time Home Buyer (FTHB) assistance as well.

Community Reinvestment Act (CRA)

Notwithstanding the considerable attention devoted to financing housing development through bank Community Reinvestment Act (CRA) programs today, very little attention is devoted to including financing for energy efficiency in such efforts. This lack of attention results in missed opportunities for literally thousands of homeowners a year.

Under the federal Community Reinvestment Act (CRA), local banks have imposed upon them a responsibility to meet local community credit needs. These needs most often involve providing credit for affordable housing, including homeownership for low and moderate income households. The potential for reaching low- and moderate-income households through CRA financing is substantial. The CHOP initiative of Norwest Bank in Colorado is illustrative.

In response to its community reinvestment responsibilities, Norwest Bank Colorado (NA) operates its Community Homeownership Program (CHOP). Introduced in 1991, CHOP first involved a commitment to make available $20 million in loans to encourage home ownership by low-to-moderate income individuals and families. In 1992, the program was expanded throughout Colorado and the amount available was increased to $40 million. In 1993, the program was expanded to address the home ownership needs of disabled individuals. Since the CHOP program began in 1991, the amount available has grown to $100 million. Through December 1994, Norwest had approved 1,500 CHOP loans totaling more than $70 million statewide.

As Table 3 shows below, this single illustration from Colorado is not extraordinary. The Table shows that in six Midwestern states alone, banks have publicly announced nearly six *billion* dollars worth of CRA lending since 1977. In addition, much more CRA lending occurs without public acknowledgement of the CRA inducement. Energy efficiency advocates, including utilities, regulators and state energy officials, should be knowledgeable of, and active in, CRA negotiations and planning to ensure the future CRA affordable housing lending programs incorporate an energy efficiency component.

Private Organizations

Not all First Time Home Buyer programs are government-sponsored initiatives. One of the primary private (or quasi-private) initiatives involves the Neighborhood Reinvestment Corporation (NRC) through its local Neighborhood Housing Services/NeighborWorks offices. In a recent communications from Executive Director George Knight, Knight said:

> Neighborhood Reinvestment, a Congressionally-funded nonprofit organization, serves as the national partner to the 180 local NeighborWorks organizations. Most of these organizations bear Neighborhood Housing Services somewhere in their name. Their mission is the renewal of distressed neighborhoods, frequently using the retention and increase in home ownership as a principal strategy. During the past year, over 16,000 homes were impacted. A large number of then, 9,000, involved minor repairs including weatherization. Of the 7,000 other homes, the vast majority had either major rehabilitation or were existing homes purchased by a new homeowner with the aid of the NeighborWorks organization.[/10/]

According to Neighborhood Reinvestment data, of the first time home buyers the organization assisted, 29 percent pay less for owning a home than they previous paid for renting; 70 percent earn incomes of less than $30,000 a year. Moreover, the average cost of a home purchased for these home buyers was $61,000 (compared to the national average cost of $137,000). The median household income was $24,000 (compared to the median household income of all homebuyers of $38,000). More than 40 percent of Neighborhood Reinvestment home buyers involve female-headed households (compared to 16 percent nationwide), and more than 60 percent are minority buyers (compared to 15 percent nationwide).

Summary data on the first time home buyer program of the Neighborhood Reinvestment Corporation is set forth in Table 4.

SUMMARY AND CONCLUSIONS

Low-income energy efficiency programs need not be a victim of current trends in electric industry restructuring and federal budget cutbacks. It would be foolish, of course, to assert that "things will be the same." They will not. The entire paradigm of delivering low-income energy efficiency must change.

It is not unreasonable to expect that in the future, frequently, not all low-income energy efficiency programs will exist as a stand-alone program. Indeed, the paradigm for pursuing low-income energy efficiency may (and should) transfer from the paradigm of state regulatory

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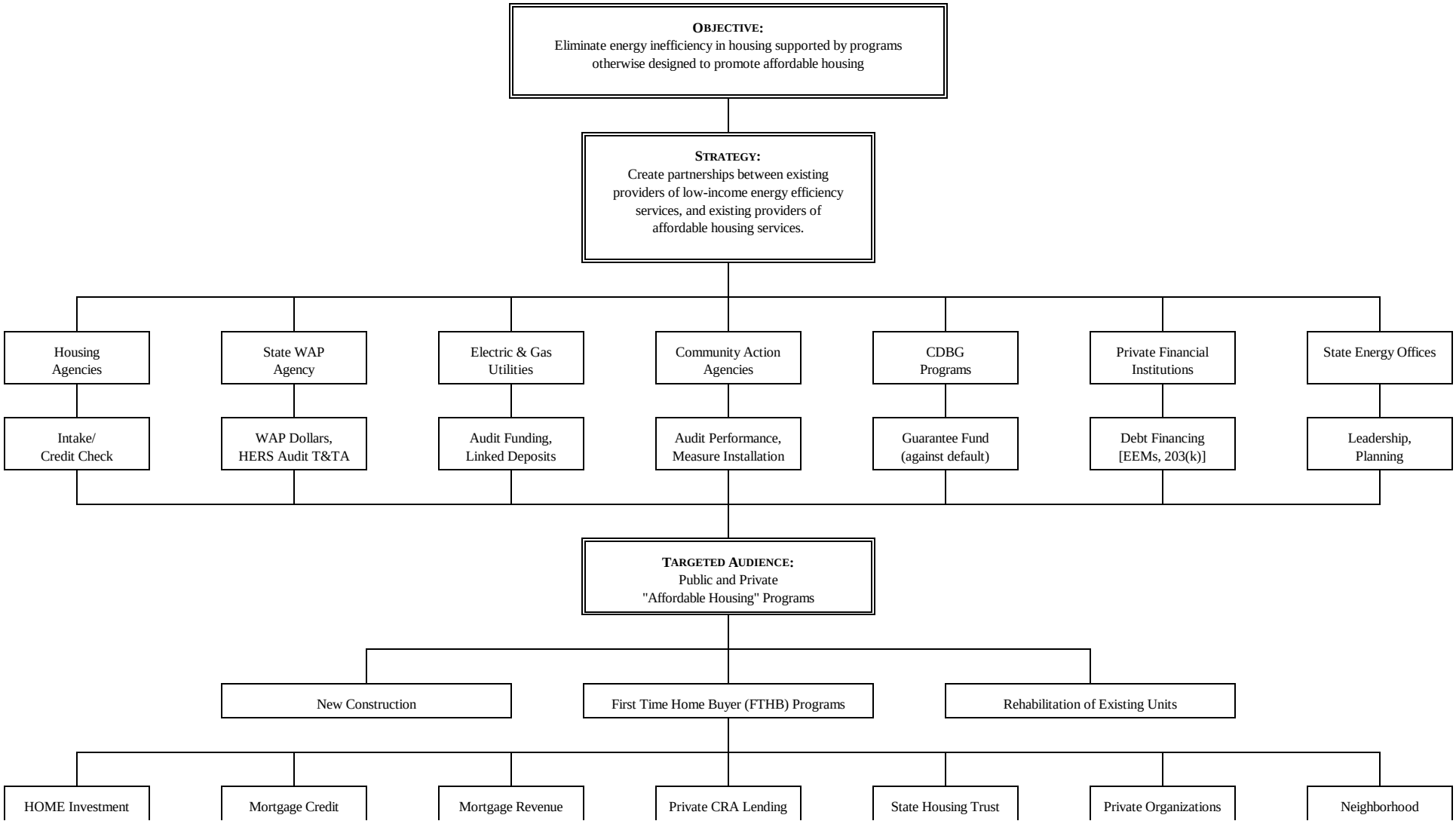
/10/ Correspondence, Knight to Colton (January 17, 1996).

commissions seeking to control the design and management of utility programs offered as a part of utility service, and from the paradigm of state WAP agencies delivering a federally-funded social service, to a paradigm where the delivery of energy efficiency is accomplished through state energy offices providing leadership to develop and facilitate shelter-based energy efficiency partnerships. Through such partnerships, energy efficiency can (and should) form a part of this larger shelter-based delivery approach.

The objective of state energy officials with regard to the delivery of low-income energy efficiency should be to eliminate energy *in*efficiency in housing supported by programs otherwise designed to promote affordable housing. The strategy of state energy officials should be to create partnerships between existing providers of low-income energy efficiency services and existing providers of affordable housing services. The proposal above, to explicitly tie energy efficiency into First Time Home buyer programs, is but one example (though certainly not the only potential) of how a shelter-based energy efficiency partnership might work.

In furtherance of those partnerships, a list of contact persons within relevant shelter agencies and institutions in the six state Midwestern region is set forth in Appendix A to this paper.

A SHELTER-BASED APPROACH TO DELIVERING LOW-INCOME ENERGY EFFICIENCY




Partnership
Certificate
Bond Program
Fund
Reinvestment Corp.

FLOW CHART OF ENERGY EFFICIENCY IN AFFORDABLE HOUSING PROGRAMS

Activity	Performed By	Notes
Locate house	Home Buyer	
Establish FTHB Eligibility/Participation Criteria	First Time Home Buyer (FTHB) Program	No difference from existing program.
Take application for FTHB program	Housing Agency/Financial Institution	No difference from existing program.
Impose requirement for energy efficiency audit	Financial Institution/FTHB Program	Similar to requirements for radon tests, lead paint test.
Perform energy efficiency audit/Identify cost-effective measures	Community Action Agency/WAP sub-grantee	(1) Audit financed by utility; (2) Needs HERS audit.
Provide debt financing for energy efficiency measures	Financial Institution	HUD's Energy Efficient Mortgage (EEM) program available. Use WAP dollars to supplement if available.
Close purchase	Home Buyer	Must show compliance with energy efficiency audit requirement.
Escrow energy efficiency financing until measures installed	Financial Institution	Financial institutions frequently do escrows (*e.g.*, HUD 203(k) loans).
Install energy efficiency measures	Community Action Agency/Private contractor	Done on fee-for-service basis. WAP contractor is logical choice.
Pay energy efficiency contractor	Financial Institution	Amount in excess of contractor payment paid against loan principal.
Service energy efficiency loan	Financial Institution	As part of underlying loan that would be served in any event.

Provide recourse if loan defaults	FHA	FHA requires no additional credit qualification.

TABLE 1:
MORTGAGE REVENUE BOND (MRB) PROGRAM
IN THE STATES

State	Cumulative Expenditures	Cumulative Production	Target Group
Illinois	$1,221,948,010	22,274 units	Very low/low/moderate
Indiana	$312,996,000	n/a in units	Low/moderate
Iowa	$662,820,000	13,403 units	Low/moderate
Minnesota	$22,100,000	6,293 units	Low/moderate
Missouri	$1,188,473,632	31,105 units	Low/moderate
Wisconsin	$1,700,000,000	40,614 units	Low/moderate

SOURCE: National Council of State Housing Agencies, *State HFA Program Catalogue* (1992).

NOTES (date established): Illinois: 1982 Indiana: 1987
Iowa: 1977 Minnesota: 1978
Missouri: 1976 Wisconsin: 1982

TABLE 2:
HOME INVESTMENT PARTNERSHIP PROGRAM (HOME)
STATUS OF FUNDS, SAMPLE STATES (ALL PARTICIPATING JURISDICTIONS)
(AS OF APRIL 30, 1996)

	Dollars Committed		
	Minnesota	Indiana	Missouri
1992	$16,336,236	$10,666,897	$12,529,800
1993	$9,855,522	$7,255,269	$7,570,257
1994	$12,453,016	$5,477,101	$8,666,759
1995	$1,337,205	$978,470	$532,729 /a/

SOURCE:

Department of Housing and Urban Development (HUD), Cash and Management Information System, HOME Status of Funds, All Participating Jurisdictions

NOTES:

/a/ Current through July 12, 1995.

TABLE 2:
HOME INVESTMENT PARTNERSHIP PROGRAM (HOME)
STATUS OF FUNDS, MINNESOTA (ALL PARTICIPATING JURISDICTIONS)
(AS OF APRIL 30, 1996)
(PAGE 2 OF 2)

Activity	Rental		Homeowner			
	# Projects	# Units	FTHB		Existing	
			# Projects	# Units	# Projects	# Units
New construction	28	257	8	8	0	0
Rehab	271	1,712	52	69	902	855
Acquisition	29	63	309	386	0	0
TBRA	105	164	0	0	0	0
Total	433	2,196	369	463	902	855

NOTES:

TBRA: Tenant-Based Rental Assistance
FTHB: First Time Home Buyer

TABLE 3:
TOTAL CRA DOLLAR COMMITMENTS SINCE 1977
BY STATES (THROUGH 1994)

State	Total Loans (millions)
Illinois	$5,296.0
Indiana	$145.5
Iowa	$81.6
Minnesota	$94.5
Missouri	$72.6
Wisconsin	$210.0
SOURCE: National Community Reinvestment Coalition, Washington D.C.	

TABLE 4:
NEIGHBORHOOD REINVESTMENT CORPORATION
NEIGHBORWORKS OFFICES
AFFORDABLE HOUSING DEVELOPMENT

Characteristics of Homebuyers (% of MSA Median)	HMDA Data 1994		NeighborWorks 1993 - 1995	U.S. Population
	Conventional Loans	Gov't-Backed Loans		
Less than 80%	24%	39%	68%	40%
80 - 120%	27%	38%	25%	16%
More than 120%	49%	23%	7%	44%
National Total	xxx	xxx	16,000	xxx

APPENDIX A:
HOUSING CONTACT PERSONS

HOME INVESTMENT PARTNERSHIP PROGRAM
HUD State Contacts
Administered by Office of Community Planning and Development
(Information from May 1996 Telephone Survey)

Illinois:	Robert Berlan, 312-886-0119 (Chicago)
Indiana:	Patrick Phillips, 317-226-7245 (Indianapolis)
Iowa:	Stan Quy, 402-492-3144 (Omaha)
Minnesota:	Jon Swanson, 612-370-3019 (Minneapolis)
Missouri:	Sam McClerney, 314-539-6531 (St. Louis) (for St. Louis County); Steve Eberlein, 913-551-6805 (Kansas City) (all of Missouri but St. Louis County)
Wisconsin:	Marcia Bergson, 414-297-3355 (Milwaukee)

NOTES:

1. Be sure to request information for all "participating jurisdictions" (PJs). States receive some funding in their own right while cities receive some funding in their own right. Cities may also receive allocations of state funds.

2. Comprehensive information on HUD affordable housing programs can be obtained from the Community Connections, 1-800-998-9999, P.O. Box 7189, Gaithersburg, MD 20898-7189.

APPENDIX A:
HOUSING CONTACT PERSONS

MORTGAGE REVENUE BOND (MRB)
HOMEOWNERSHIP ASSISTANCE PROGRAM
State Contacts
(Information as of 1992)

Illinois: Roger Morsch, 312-836-5200, Illinois Housing Development Authority
Indiana: Cathy Garrett, 317-232-7777, Indiana Housing Finance Authority
Iowa: Janet Pressey, 515-242-4990, Iowa Finance Authority
Minnesota: John Silvis, 612-297-3127, Minnesota Housing Financing Agency
Missouri: Judy O'Brien, 816-753-6222, Missouri Housing Development Commission
Wisconsin: Mary Zins, 608-267-3806, Wisconsin Housing & Economic Development Authority

APPENDIX A:
HOUSING CONTACT PERSONS

STATE HOUSING TRUST FUNDS
State Contacts
(Information as of 1993)

Illinois: Illinois Affordable Housing Trust Fund, Jennifer Miller, 312-836-5200, Illinois Housing Development Authority.

Indiana: Indiana Low-Income Housing Trust Fund, Anne Butsch, 317-232-7777, Indiana Housing Finance Authority.

Iowa: Iowa Housing Improvement Fund, Bruce Ray, 515-242-4990, Iowa Finance Authority.

Minnesota: Minnesota Housing Trust Fund, Denise Holter, 612-297-4294, Minnesota Housing Finance Agency.

Missouri: Missouri Housing Trust Fund & Rental Assistance Program, Robert Austin, 816-753-8818, Missouri Housing Development Commission.

Wisconsin: Either no trust fund exists or no information is available.

APPENDIX A:
HOUSING CONTACT PERSONS

ORGANIZATIONS WITH CRA AGREEMENTS
(Information as of March 1995)

Illinois: Chicago Reinvestment Alliance, c/o National Training and Information Center, 312-243-3035 (Chicago).
Indiana: Northwest Indiana Open Housing Center, 219-938-3910 (Gary).
Iowa: Iowa Citizens for Community Improvement, 515-266-5213 (Des Moines).
Minnesota: Minneapolis Consortium of Community Developers, 612-644-6951 (Minneapolis).
Missouri: Westside Housing Organization, 816-421-8048 (Kansas City).
Wisconsin: Fair Lending Coalition, 414-344-2885 (Milwaukee).

National Organization:
National Community Reinvestment Coalition
202-986-7898
Washington D.C.