

THE CALIFORNIA ECONOMY

Central Valley families build their own homes in affordable housing program

By Nadine Ono

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Angelica Sanchez and her family in front of the home they built with help from their neighbors.

When Angelica Sanchez and her family moved into their brand new home in Goshen, California last year, she knew every inch of the house because she and her neighbors built it. They all participated in a "mutual self-help" housing program, which has helped low-income families in the San Joaquin Valley attain home ownership for five decades.

Goshen is a small, rural town along Highway 99 in Tulare County. The county has a poverty rate of nearly 25 percent, which means, coupled with increasing housing costs, the need for affordable housing is growing.

The housing program, which is run by the non-profit Self-Help Enterprises, assembles groups of 10 to 12 low-income families and first-time homebuyers and helps them get mortgage financing together in order to build their own home. The group of families enters into a shared labor agreement with each other to build all the houses and no one moves in until all the homes are completed. Each family is responsible for contributing 40 hours a week on the construction of the homes, which takes between 9 and 12 months to complete.

The families must qualify for a first mortgage, but as Tom Collishaw, president and CEO of Self-Help Enterprises explained, "The sweat equity, the work that they put in, it's really a down payment, so it reduces the cost of the house."

Collishaw added that the residents are often surprised at how much work they actually do. The program started as a way to help farmworkers achieve home ownership with help from the United States Department of Agriculture (USDA) in the form of low-interest home loans.

Sanchez and her family moved to nearby Reedley to be closer to relatives after her family lost their home in San Bernardino when her husband lost his job. They applied for the program in Goshen, started construction in October 2013 and moved in July 2014.

"This was my first time with construction, because I never did construction or anything," said Sanchez. "It was nice learning a lot about construction, because you get to know how to do electricity, working with wires and putting things in the house."

Self-Help Enterprises provides an on-site construction superintendent who works with the families and helps them through the entire process.

"That shared labor aspect is really what's unique about the program," added Collishaw. "They work on each other's homes, so they may provide their hours one week and may never touch their own home that week just because the work is going on the other homes. That mutual aspect is important."

The houses generally have three to four bedrooms and are between 1,250 and 1,400 square feet with a two-car garage and landscaped yards. The more recent homes are built using green materials and energy-efficient appliances.

Neighbors who build houses together also become a community according to Sanchez, "I think its better when we know each other and then that's how we know who's around us, our neighbors. I think it is a little bit safer."

There are also hidden benefits to building your own home according to Sanchez. She's not only a homeowner, but a handywoman as well. "If any plugs in the house won't work or something, I already know what to do, because they show you all the things that could happen," said Sanchez.

Mutual self-help housing is just one way to get low-income families into home ownership and help ease the affordable housing crisis in the San Joaquin Valley and the entire state. Affordable housing will be one of the main topics of discussion at the California Economic Summit, which will be held in Ontario on November 12-13, co-presented by California Forward and the California Stewardship Network.

Leaders from the public, private and civic sectors will discuss programs and policy changes that ease the crisis by setting a goal of building one million affordable housing units in the next ten years.