



# Self-Help Enterprises

Annual Report 2018





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Our Mission

*Self-Help Enterprises is a nationally recognized nonprofit organization whose mission is to work together with low-income families to build and sustain healthy homes and communities.*

Board of Directors

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Betsy McGovern-Garcia, Real Estate Development Program Director  
Rick Gonzalez, Self-Help Housing Program Director  
Patrick Isherwood, Asset Management Program Director  
Ethan Dutton, Deputy Director

Letter from CEO

Friends and partners:

Self-Help Enterprises had several notable high points in 2018 – concluding water hookups for the last homes in drought-ravaged East Porterville; completion and rent up of our first two Cap and Trade funded rental projects in Dinuba and Lindsay; attaining a level of 80 new self-help homes in construction; being named a Top 50 developer by Affordable Housing Finance magazine; being named a CA Nonprofit of the Year by Assemblymember Rudy Salas; winning our first Capital Magnet Fund award. Even so, 2018 felt like a jumping off point for even bigger things to come. With the passage of Propositions 1 and 2, and the rollout of SB2 permanent source funding, the opportunities to expand our housing impact in 2019 and beyond are promising. Combined with our emerging programs in leadership development, the Gateway to homeownership, and alternative community energy solutions, I look forward to expanding our work going forward. With the historic housing crisis and continued disparity between the rich and poor in California, our work is more important than ever.

*Tom Collishaw*





# SINGLE FAMILY HOMES

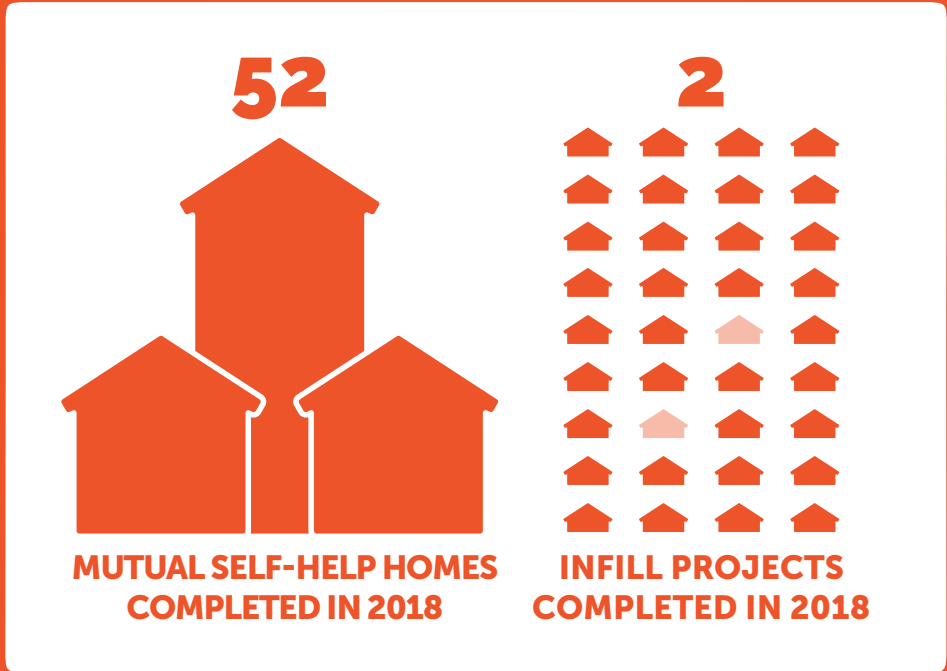
## Mutual Self-Help Housing

The homes are built under the mutual self-help method of construction where each family is required to contribute a minimum of 40 hours a week working on all the homes for a period of 9 to 12 months. These labor hours, or sweat equity, are used as the down payment on their new home, reducing costs for a new home they could otherwise not afford. Families not only work on their own home, but everyone works on every house in the building cohort and no one moves in until all houses are completed. Their homes stand as living proof that they and their children can shape their own futures. The entire experience inevitably creates a community bond that lives on long after the homes are built. This year, 52 families completed construction of their new self-help homes along with their neighbors.

## Infill Development

SHE works with a variety of municipalities to identify privately owned properties that are blighted, deteriorated, or underused building sites, and then pursues appropriate redevelopment activities, including constructing new single family homes and selling them to first time homebuyers. In most cases, SHE takes the lead role in negotiating and purchasing any property for use in the program. The goal is to eliminate dilapidated housing and conditions of blight, enhance the appearance of existing residential neighborhoods, maintain and improve property values, and to construct affordable owner-occupied housing on infill lots.

## Program Highlights



## Meet Madelyn and Homero

For young Homero, a new self-help home means finally having his own room to play in. After many years of jumping around between relatives, Homero and his mom, Madelyn, will soon have a home of their own. Madelyn, along with 10 other participating families, spent most of 2018 building their homes in Wasco. Homero is very excited for his new home: “Mom, I’m gonna have my own room!” an eager Homero frequently says. Madelyn said that he is looking forward to playing with the other kids in the neighborhood but most of all, he can’t wait to have and play in his own room. Madelyn is very grateful for this experience: “if it wasn’t for this program, I don’t think I could ever have afforded my own house. Self Help Enterprises is giving me the opportunity to provide myself and my son the chance to stop jumping from place to place and finally have a stable home we can call our own.”

*“[We] finally have a stable home we can call our own.”*







## Meet Stephanie and Jarrett

For Stephanie and Jarrett, living in the newly built Sierra Village apartments in Dinuba meant an opportunity for a better life. Previously, they struggled tremendously to find a stable home, jumping around between families and most recently, living in an emergency housing studio. They received confirmation for their Sierra Village apartment only days before needing to vacate the studio. Had it not been for Sierra Village, Stephanie and Jarrett would have found themselves homeless. “Self-Help Enterprises changed our lives by giving us a chance. Previously, I was working two jobs and almost dropped out of school,” Jarrett said. “We don’t have to worry about getting kicked out. The affordable rents allow me to pay for the apartment and still provide everything that my wife and daughter need.” Stephanie and Jarrett look forward to many happy years at Sierra Village.

*“The affordable rents allow me to pay for the apartment and still provide everything that my wife and daughter need.”*

## RENTAL HOUSING

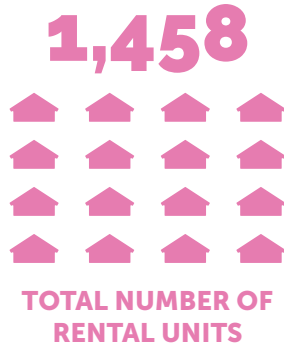
### Rental Housing Development

SHE develops quality, affordable rental apartments to serve the housing needs of low-income Valley residents and underserved farmworker communities. Residents in these communities face over-crowding and overpaying with most farmworkers struggling to obtain decent, affordable housing for their families. SHE builds rental housing communities with ample space inside and outside along with plenty of green space and play areas for children. They also feature multi-use community centers complete with computer labs and kitchen facilities. Both Sierra Village in Dinuba and Palm Terrace in Lindsay are highly energy efficient and transit-friendly projects completed in 2018. Sustainable features include solar PV, water conservation measures, and a ride sharing program in partnership with the California Vanpool Authority.

### Rental Housing Purchases

In addition to the construction of new apartment communities, SHE occasionally purchases and rehabs existing, market rate rental units in need of improvement. Through this process, SHE ensures the units remain available for low- and very low-income families. This year, SHE purchased and rehabilitated a six-unit project in Visalia. The substandard units will provide sustainable living for individuals and families with permanent supportive housing needs.

### Program Highlights



#### Development Activity Underway:

- Sequoia Commons, Goshen - 66 Units
- Annadale Commons, Fresno - 40 Units





The Gateway Program

Homeownership Counseling and Education

Smart, sustainable homeownership begins with education. Self-Help Enterprises is a HUD certified counseling agency. Through the GATEWAY: Your Path to Homeownership Program, SHE offers educational and counseling services to equip potential homebuyers with the tools and resources needed to purchase their first home. The program helps families qualify for reduced rates or mortgage insurance with some lenders, and for local homebuyer assistance programs.

Program Highlights



Meet Valerie

Valerie first came to Self-Help Enterprises to ask about the first-time homebuyer program. After her partner passed away in 2016, Valerie, now a single mother of 5, was determined to buy a home and set the foundation for a better and more stable future for her family. After having attended a Gateway orientation and meeting with a SHE Homeownership Counselor, she learned that she did not have any credit and therefore did not qualify for the first-time homebuyer program. She knew she had a lot of work to do, but was determined. Valerie worked with SHE staff to develop a tailored action plan to achieve her homeownership goals. Her plan consisted of opening a credit line with her bank, paying off all of her debts and staying consistent with all of her bill payments. “After over 2 years, I’ve recently paid off all my debt,” smiled Valerie. She recently reviewed her profile and learned that she had successfully increased her credit score, which means she now qualifies for the self-help housing program. She hopes to participate in the upcoming project in Orosi expected to begin in the fall of 2019.

“After over 2 years, I’ve recently paid off all my debt.”



# HOUSING PRESERVATION

## Single Family Housing Rehabilitation

SHE works with public partners to provide owner occupied housing rehabilitation services to low-income families, often seniors. This activity is critical to improving deteriorating housing stock and revitalizing neighborhoods. It also allows families to age in place in housing that is safe and affordable. In recent years, SHE has expanded this effort to include acquiring dilapidated or abandoned properties, bringing them up to standard, and selling the finished home to new low-income homebuyers.

## Multi Family Preservation

Many low-income people rely on deed restricted rental housing projects to provide an affordable apartment in a safe and stable environment. These projects are important community assets, but unfortunately over time become at risk of being lost to the affordable housing stock as occupancy restrictions expire. In such situations, the property could be sold on the private market and tenants can be evicted. SHE is stepping up to preserve some of these projects, improve them, and extend their life as affordable properties, preventing displacement. Preliminary work began on three such projects in 2018 in Mariposa, Dinuba and Oakhurst.

### Program Highlights



HOUSING  
REHABILITATIONS  
IN 2018



EMERGENCY  
HOME REPAIRS  
IN 2018



HOME  
RECONSTRUCTIONS  
IN 2018



HOME WATER  
WELLS IN 2018

## Meet Faustina and Estanislou

Faustina and Estanislou lived in their Madera mobile home for over 35 years. Together, they have 7 children and 17 grandchildren that for the longest time were unable to come visit due to the hazardous conditions of their home. Faustina and Estanislou first reached out to Self-Help Enterprises when seeking help to drill a new water well during the drought. Upon detailed assessment of their home, it was clear that they were in dire need of a home replacement. “We had to always watch our step to make sure we didn’t fall through the floor,” said Faustina. “Slowly, things started to break, and it got to the point where it was just too much and too expensive for us to try to fix.” Through the Housing Rehabilitation program, SHE was able to tear down the mobile home and build a brand new 4 bedroom, 2 bath ‘stick-built’ home. “We didn’t need luxury; we just wanted comfort and tranquility,” said Faustina. “Thanks to Self-Help Enterprises, we now have that.”

*“We didn’t need luxury;  
we just wanted comfort  
and tranquility.”*





Asset Management  
and Resident Services

Currently, SHE owns or sponsors 1,458 units at 32 sites, and is committed to providing long-term affordable housing opportunities to local residents. As good stewards of these assets, SHE strives to maximize long-term financial stability and manage risk, while sustaining a vibrant place with robust resident services. The overall portfolio has extremely low vacancy rates, stable tenant populations, and high financial performance. Self-Help Enterprises partners with local agencies and nonprofits to provide resident services at our onsite multi-use community centers. Such services create opportunities for our residents to enrich their lives.

Services include:

- Adult Education (including ESL)
- Afterschool Programs
- Fitness and Nutrition Programs
- Computer Lab and Free Internet
- Citizenship Classes
- Financial Education
- Health and Resource Fairs
- Summer Lunch Programs and More!



Book Nooks

Tulare County has the fourth lowest literacy rate of California counties. Fourteen percent of adults cannot read above a basic level, according to a 2016 study conducted by the U.S. Department of Education and National Institute of Literacy. In an effort to create literacy-enriched environments for residents and their children, SHE collaborated with the Whitney Foundation, Lions Pride Club and United Way of Tulare County to create “book nooks” in Goshen Village I and II, Sand Creek (Orosi) and Vera Cruz Village (Richgrove). Each book nook has over 500 multilingual books for children and young adults. SHE and its partners have provided over 2,100 books now available to residents and their families.

Community book nooks to be completed in 2019: Bear Creek in Planada and Washington Plaza in Earlimart.

Program Highlights





Meet Guillermo

Guillermo and his mother live along Daleville Avenue, an unincorporated neighborhood five miles south of Central Fresno. Guillermo’s family was among the thousands deeply affected by the drought. For an entire year, Guillermo and his mother were in complete survival mode, driving to Fresno to buy water every few days, hauling home six to ten 5-gallon water jugs. This was physically very strenuous for Guillermo considering he was left disabled from a bout with Valley Fever 15 years prior. A consolidation project that began in 2016 between Orange Center School and the City of Fresno laid a foundational water line nearby. Serving as the applicant, the City of Fresno worked with SHE to secure multiple state funding sources such as the State Water Board Revolving Fund, to install a main line on Daleville Avenue, tying into the loop via the School/City consolidation. After three long and trying years without permanent water, Guillermo and 39 other families whose wells failed due to drought conditions and/or were affected by contaminated water, are now officially connected to the City of Fresno public water system. Guillermo says, “If it wasn’t for Self-Help Enterprises, I really think we would still be without water and struggling.”



Infrastructure Capital Projects & Community Development

Self-Help Enterprises works collaboratively with disadvantaged communities to attain sustainable infrastructure that supports healthy, thriving communities. Our community development efforts help rural communities obtain vital infrastructure improvements such as clean and affordable energy, safe drinking water and sanitary sewage services. The barriers to accessing limited resources can threaten the health of residents. SHE has helped more than 160 small communities and over 30,000 residents with the development and implementation of infrastructure projects. Self-Help Enterprises’ staff provides technical assistance including assessing environmental and health issues, providing information to community members and boards, developing project alternatives, evaluating funding options, and fostering effective community decision-making. At the core of this effort is the empowerment of residents to take control of the development of their own community infrastructure needs.

Lake of the Woods Update

Lake of the Woods Mutual Water Company (MWC) broke ground on the replacement of 1,700 feet of old, leaking water lines and the installation of 401 new meters. The MWC is a not-for-profit company that supplies water to the residents and businesses of Lake of the Woods, an unincorporated Kern County community in the San Emigdio Mountains, with a total population of just over 900. The MWC worked closely with Self-Help Enterprises to apply

and obtain \$750,000 from State Water Resources Control Board to drill a new well and help offset costs for water hauling; and \$500,000 in emergency funds from USDA Rural Development. These funds were used to construct a blending station to lower nitrate levels found in the new well.

East Porterville Update

SHE completed water hookup work to over 755 households in East Porterville, a community generally referred to as “ground zero” of California’s historic drought. Working closely with community members, the City of Porterville, and State Department of Water Resources, staff were the glue to the entire project with many moving parts.

Subdivision Development

To support its single family and multifamily new construction activities, SHE acts as a purchaser and developer of land, often starting with smart design of neighborhoods. SHE staff shepherd projects through the entitlement process, engage with neighbors and the public, and manage project teams from initial project feasibility through development of the site into finished lots with services.





# COMMUNITY ENGAGEMENT AND LEADERSHIP

## SGMA Technical Assistance

Most San Joaquin Valley rural communities rely entirely on groundwater sources which are often contaminated and/or located in basins that are critically overdrafted. Groundwater overdraft is a serious problem, which worsens during drought periods such as California’s most recent drought, and has a devastating and disproportional effect on disadvantaged communities and persons relying on groundwater sources. To improve groundwater management and to ensure the reliability of this resource for future generations, Governor Jerry Brown signed the Sustainable Groundwater Management Act (SGMA) into law in 2014. With the passage of SGMA, Groundwater Sustainability Agencies have been formed and tasked with developing and implementing a Groundwater Sustainability Plan (GSP) that serves as a roadmap for sustainability. Through our Community Engagement and Planning efforts, SHE received a \$1,000,000 grant from the Department of Water Resources to establish a technical assistance program that assists Severely Disadvantaged Communities participate in groundwater sustainability planning and become viable partners in projects that enhance groundwater quality and quantity. SHE conducts community outreach, convenes workshops, tours and roundtable discussions, develops and distributes bilingual educational materials and supports GSP implementation and project development activities. Overall, SHE’s Community Development Department serves as the bridge between rural communities and the technical and governance processes.



## Water in Schools

The Drinking Water for Schools Grant Program was established to improve access to, and the quality of, drinking water in public schools. Self-Help Enterprises provides assistance to several schools throughout the Central Valley located within, or serving a disadvantaged community, and helps with site assessments (identifying issues and potential solutions), school board resolutions, funding applications and project implementation. Solutions for the affected schools include new drinking fountains or bottle filling stations, infrastructure repair, and point-of-use treatment devices. In 2018, through the Drinking Water for Schools and the Agua4All programs, SHE provided clean drinking water to 142 schools serving 76,657 students.

## Leadership Institute

Self-Help Enterprises works directly in a number of communities, helping to support grassroots, local leaders. SHE organizes and sponsors community groups to attend NeighborWorks Community Leadership Institutes and often hosts extensive leadership training institutes with other partners. These trainings strengthen community leadership by teaching skills and tools to be more intentional, effective and energized leaders.

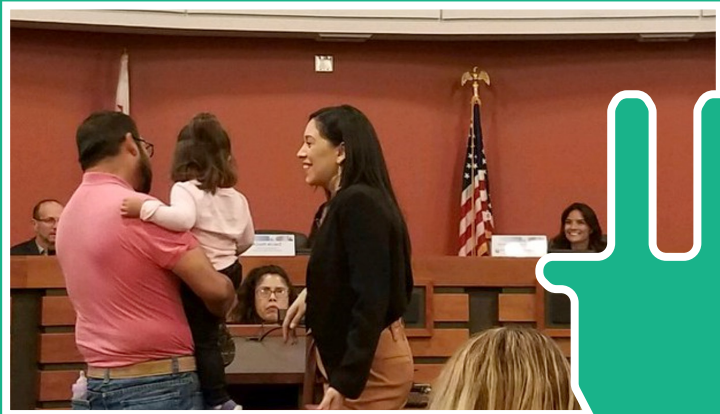
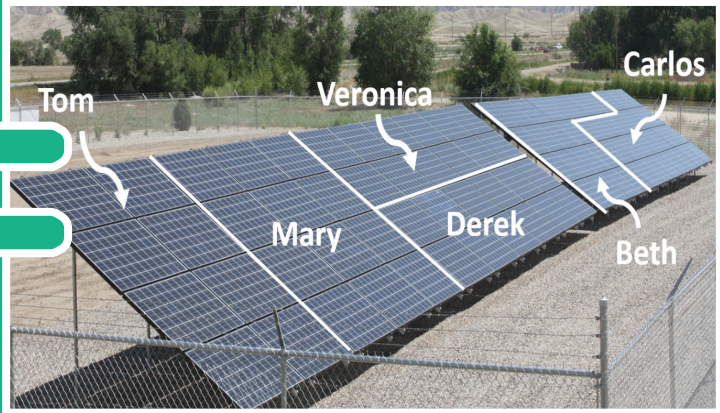




# COMMUNITY ENERGY SOLUTIONS

While California is a national leader in electricity generation from renewable resources, many San Joaquin Valley disadvantaged communities still rely on propane and wood burning to cook, make hot water and heat their homes. Over 170 communities in the region do not have access to natural gas. In 2014, SHE worked to pass a law that requires the California Public Utilities Commission (CPUC) to identify disadvantaged communities that lack affordable energy access and analyze the economic feasibility of affordable energy alternatives.

This December, the CPUC approved 11 affordable energy pilot projects in disadvantaged communities in the San Joaquin Valley. The projects will increase access to affordable and renewable energy for more than 1,600 households in the communities of Allensworth, Alpaugh, California City, Cantua Creek, Ducor, Fairmead, Lanare, Le Grand, La Vina, Seville and West Goshen. The projects for these communities will bring in about \$56 million in investment and infrastructure spending, and as a result, Valley residents will no longer need to rely on expensive propane and wood burning to stay warm, to cook and to have hot water. This investment will also give families new cutting-edge and energy efficient appliances which can save residents up to \$150 per month on their energy bills and nearly \$2,000 per year for some households.



# SUSTAINABILITY PROJECTS

## Greywater Reuse

Greywater reuse is an answer to the problem of water scarcity –an issue prevalent in the Valley after years of severe drought. At Palm Terrace, a new rental community in Lindsay, SHE replaced the typical fenced storm pond with double the turf area next to the playground and installed a greywater reuse system. Runoff from the parking lot and water from residential use is captured and used on-site to irrigate the turf and plants. This eliminates the need for landscape irrigation and reduces storm water runoff.



## Solar and Weatherization

SHE used the Low-Income Weatherization Program for Multifamily Properties (LIWP) to improve five of its multifamily affordable rental properties in 2018. All five properties have energy efficiency and solar PV improvements for resident homes and common areas like hallways and community rooms. LIWP is funded through California’s Cap and Trade program, supporting owners and residents to lower utility costs, save energy and reduce greenhouse gas emissions in large multifamily properties.





# LENDING AND PROFESSIONAL SERVICES

## Lending Activities

Homeownership in the San Joaquin Valley is often out of reach for many low-income families because of the high cost of housing, lack of assets available or a monthly payment that is not affordable. To meet the needs of those seeking homeownership, Self-Help Enterprises, in cooperation with Valley cities and counties, operates homebuyer assistance programs. The programs provide the additional financing needed to keep a first mortgage payment affordable to first-time homebuyers.

Low-interest loans for private wells are also available. Fixing or replacing a private well that has failed can be expensive and complicated. Self-Help Enterprises helps qualified homeowners access low-interest loans to drill a new private well, deepen an existing private well or lower a pump in an existing well.



## Professional Services

SHE provides a wide-range variety of consulting services and technical assistance to cities, counties, nonprofits, and individual homeowners throughout our eight county service area. In this role, SHE staff provide expertise and capacity where otherwise none exists.

### Services include:

- Loan portfolio management
- Grant writing and program development
- Affordable housing compliance monitoring
- Bottled water delivery
- Housing need studies
- Construction management
- Income surveys
- Grant administration and program delivery
- Water testing

In recent years, SHE has been an indispensable local resource for drought response, work which continues for families still reliant on temporary water deliveries.



# VOLUNTEERS AND POLICY ENGAGEMENT

## Volunteers

Whether you are an individual or an organization seeking a volunteer opportunity, SHE welcomes help in building our homes. Working side-by-side with the participants, volunteers help to build what for many low-income families is a dream come true. In 2018, organizations and individuals contributed a total of 2,320 hours. Participating organizations included Visalia Breakfast Rotary, COS Rotaract, McFarland High School, Bravo Lake High School, Midland School, Assembly Member Rudy Salas's office, Faith Presbyterian Church, Senator Andy Vidak's office, Citizen's Business Bank, Tulare County Association of Realtors and the Rotary Youth Exchange.

## The Passage of Prop 1 and Prop 2

Californians affirmed their support for efforts to address the state's burgeoning housing crisis at the ballot box on November 6 by handily passing Propositions 1 and 2. Our pipeline of affordable housing projects is full, and new resources from Prop 1 and 2 will enable us to move forward into construction at sites throughout the San Joaquin Valley. It's been over 12 years since the state provided substantial new funding for affordable housing development, and SHE was instrumental in bringing a significant portion of those resources to our service area. We celebrate the passage of Props 1 and 2, and look forward to providing housing opportunities for San Joaquin Valley residents in need of quality housing they can afford.





# Total Completions

	In 2018	To Date
Self-Help Housing	52	6,276
Multi-Family Housing	100	1,458
Homebuyer Assistance	36	2,111
Infrastructure - Water & Sewer	806	31,918
<b>Rehabilitation Program</b>	<b>153</b>	<b>6,628</b>
(Housing Rehabilitations)	16	4,116
(Home Reconstructions)	9	427
(Emergency Home Repairs)	7	1,797
(Home Water Wells)	121	288
<b>Gateway Program Counseling</b>	<b>1,336</b>	<b>12,200</b>
(Gateway - Homeownership Counseling)	751	12,200
(Education Graduates)	585	
New Grants Written	9	
Grants Managed	7	
Loans in Portfolio		2,152
Loan Portfolio Dollar Total		\$60,711,183

# Other Fun Facts



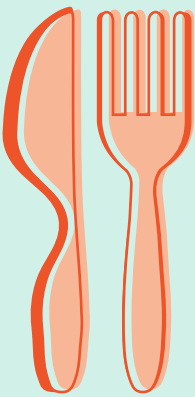
2,100

BOOKS IN BOOK NOOKS IN 2018



76,657

STUDENTS SERVED THROUGH WATER IN SCHOOLS



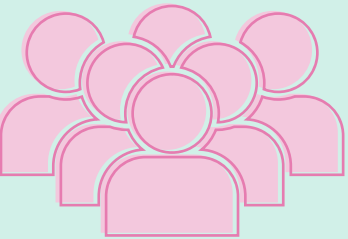
3,999

SUMMER MEALS SERVED IN 2018



6,553

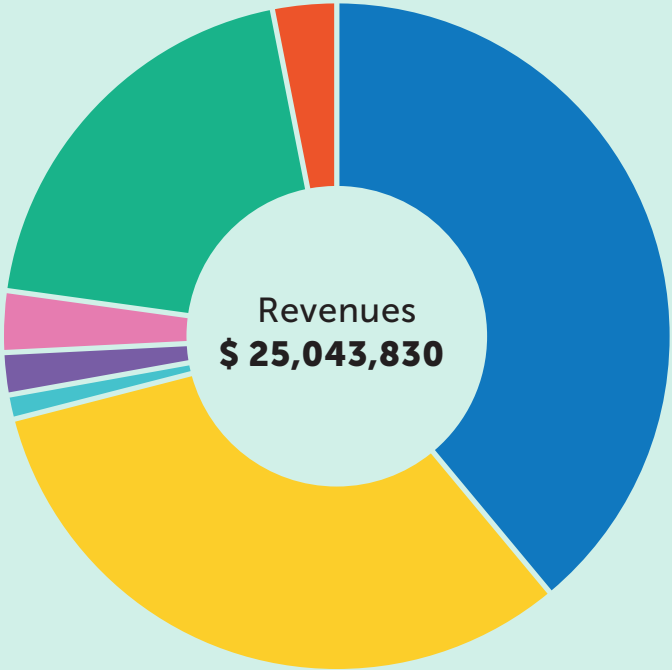
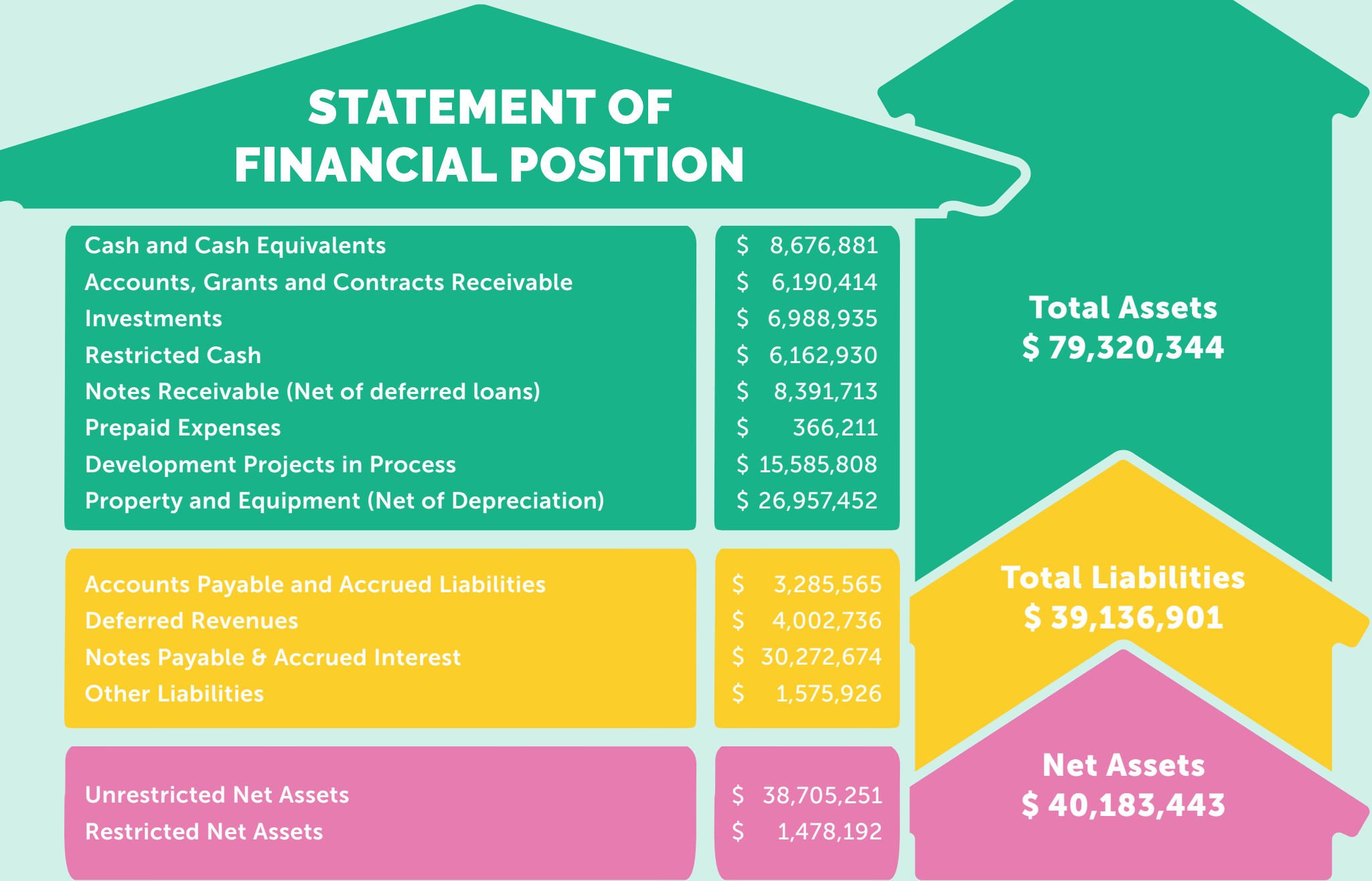
BOTTLED WATER DELIVERIES TO DATE



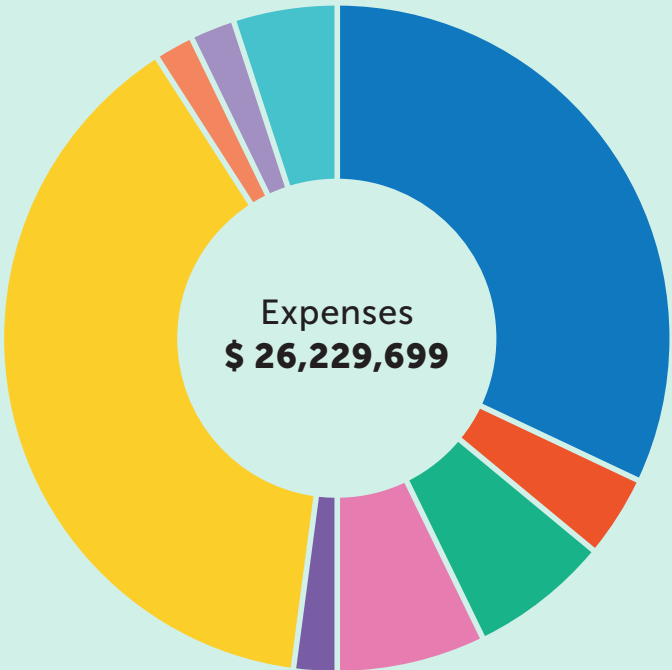
2,320

VOLUNTEER HOURS IN 2018





Revenues			
Grant Income	\$	9,825,319	39%
Contract Income	\$	8,116,923	32%
Investment/Interest Income	\$	283,190	1%
Land Sales (Net)	\$	411,341	2%
Contributions	\$	791,253	3%
Rental Income	\$	4,890,216	20%
Other Income	\$	725,588	3%
		<b>\$ 25,043,830</b>	<b>100%</b>



Expenses			
Salaries/Benefits	\$	8,424,458	32%
Contract Services	\$	963,551	4%
Office Space	\$	1,773,656	7%
Depreciation	\$	1,917,155	7%
Insurance	\$	395,226	2%
Project Costs	\$	10,315,717	39%
Interest	\$	506,746	2%
Reserve Expense	\$	561,937	2%
Other Costs	\$	1,371,253	5%
		<b>\$ 26,229,699</b>	<b>100%</b>









# **Self-Help Enterprises**

Annual Report 2018

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