



*Habitat. We build.*

May 28, 2015

Governor Brownback, Chairman  
Midwestern Governor's Association  
2025 M Street, NW  
Suite 800  
Washington, D.C. 20036

Dear Governor Brownback,

On behalf of Habitat for Humanity international and the Habitat organizations signing this letter, we would like to thank you for choosing to focus the Midwestern Governors Association's (MGA) 2015 Agenda on *Reducing Poverty and Expanding Opportunity in the Midwest*.

Habitat for Humanity (Habitat) shares your interest in expanding discussions about poverty and seeking creative solutions for poverty reduction. As our mission, we seek to put God's love into action, by bringing people together to build homes, communities and hope. Currently, there are over 1,400 Habitat affiliates operating in the United States and more than 400 Habitat affiliates in the states covered by the MGA.

For nearly 40 years, Habitat affiliates have worked to end poverty housing by building safe, quality homes in partnership with communities and families throughout the Midwest and across the nation. More recently, Habitat has expanded its work to include rehab and repair of existing housing, as well as neighborhood revitalization. This work has produced highly positive results. In a recent [Homeownership Impact Study](#) by Habitat for Humanity of Minnesota, Habitat homeowners reported improvements in health, safety, education, and family interaction. In addition, after becoming homeowners through Habitat for Humanity, families showed a 20 percent reduction in the use of government assistance.

We were grateful to be a part of the first topic-based conference call focused on rural housing and transportation. Habitat for Humanity affiliates in the Midwestern states would like to highlight two challenges regarding adequate housing in rural communities and small towns. The first is preserving and improving the existing housing stock, and the second is building the capacity for local governments and organizations to access existing funding streams.

GOVERNMENT RELATIONS AND ADVOCACY OFFICE: 1424 K Street NW, Suite 600 Washington, DC 20005

ADMINISTRATIVE HEADQUARTERS: 270 Peachtree St. NW, Suite 1300, Atlanta, GA 30303-1263 USA

INTERNATIONAL HEADQUARTERS: office 322 W. Lamar St., Americus, GA 31709, mail 121 Habitat St., Americus, GA 31709-3498 USA

229-924-6935 toll free 800-422-4828 fax 229-928-8811 [habitat.org](http://habitat.org)

### ***Preserving and improving existing housing stock***

Having access to an affordable home is critical to health, safety, and security. However in rural communities, the housing stock is older and more inefficient than in other areas of the country. For instance, in rural Kansas, 73 percent of housing stock was built prior to 1980 and half of the rural housing stock is over 65 years old. These homes were not intended to meet any efficiency standards and they have become energy inefficient over time. Inefficient housing can lead to extremely high heating costs during the winter months. Even if the cost of rent or a mortgage is affordable (which is widely considered to be less than 30 percent of a household's income), high heating bills due to energy inefficient homes can render total housing costs unaffordable. Habitat for Humanity recently released a report on residential energy efficiency entitled, [Less is more: Transforming low-income communities through energy efficiency](#). It contains additional information regarding weatherization needs throughout the country.

Also, residents of rural America are older than the nation as a whole and the population of elderly adults is expected to grow. In Iowa, for example, the population of seniors over the age of 65 is expected to grow by 26 percent in this decade. These older adults have unique housing needs. Most seniors wish to remain and age in their homes as long as possible, but rural elders are increasingly experiencing challenges with housing affordability and quality. For many rural seniors to "age in place", their homes require modifications to allow for safety and accessibility, and weatherization for their homes to remain affordable.

Habitat for Humanity recommends increasing investment in homeownership, home rehabilitation, repair and weatherization programs. Rehab and repair programs can preserve the existing housing stock and modify homes so that rural seniors may age in place. Weatherization programs help lower housing costs for renters and homeowners by improving heating efficiency and fuel savings.

### ***Building local capacity to access existing funding sources***

Rural communities in the Midwest also lack the adequate capacity to take advantage of existing financial resources. Federal resources such as the HOME Investment Partnership Program and Community Development Block Grant Funding are used for the development of new affordable housing, enabling affordable homeownership, and for the rehabilitation and repair of existing housing. However, navigating the grant application and compliance process requires special expertise and sufficient staff capacity. Also, rural communities can only access these federal programs through state agencies that also often lack the funding and capacity to offer the appropriate technical assistance to small communities. Also, these funds are distributed based on state priorities. In an effort to spend funds quickly, rural communities are often left out.

As a result, block grant funding is highly concentrated in larger towns and communities where local governments have staff with the specialized skills to apply for grants and the staff capacity to adequately comply with regulations. As capital is scarce in rural communities and small towns, access to existing federal and state funding sources could be extremely valuable.

Habitat for Humanity supports the idea of “connecting the good dots”, as was mentioned during the first conference call. Creative partnerships between local governments, state entities, service providers and businesses could increase local collective capacity for rural communities to draw down funds and put them to their highest and best use. Also, state should make rural communities a higher priority by allocating more technical assistance during the grant making and compliance process. Habitat also supports adequate funding for USDA Rural Development capacity building funding sources. And, we believe that Midwestern Governors could play a leading role in connecting local governments, elected officials, state and federal agencies, and nonprofit service providers in their communities.

Again, Habitat commends the MGA for its focus on poverty reduction. We look forward to serving as a resource and as a partner. For more information, please contact Habitat’s State and Local Relations staff, Andrew Szalay at [aszalay@habitat.org](mailto:aszalay@habitat.org) or Carley Ruff at [cruff@habitat.org](mailto:cruff@habitat.org).

Sincerely,

Habitat for Humanity International  
Habitat for Humanity of Indiana  
Habitat for Humanity of Michigan  
Habitat for Humanity of Wisconsin  
Habitat for Humanity of Iowa  
Habitat for Humanity of Ohio  
Habitat for Humanity of Minnesota  
Habitat for Humanity Sagamon County, IL  
Wichita Habitat for Humanity, KS  
Habitat for Humanity Truman-Heritage, MO  
St. Joseph Habitat for Humanity, MO

CC: Governor Scott Walker  
Governor Mark Dayton  
Governor Bruce Rauner  
Governor Mike Pence  
Governor Terry Branstad  
Governor Rick Snyder  
Governor Jay Nixon  
Governor John Kasich