Enterprise is a leading advocate for the Section 4 Capacity Building for Community Development and Affordable Housing (Section 4) program. Over the past 10 years, Enterprise has distributed approximately $80 million in Section 4 grants and loans to more than 900 local nonprofit organizations across 48 states and Puerto Rico. These organizations develop affordable housing, finance small businesses, revitalize commercial corridors, and help address local health care, child care, education and safety needs.

Section 4 is the only federal program that is exclusively focused on increasing the effectiveness of these organizations. Through grants, loans, training and guidance, Section 4 provides local organizations with the staffing, program development and financial resources to maximize the impact of the services they provide and ensure the long-term sustainability of their investments.

With Section 4, organizations develop core skills that strengthen their ability to implement HUD programs, raise capital for community development and affordable housing, coordinate on cross-programmatic, place-based approaches, and facilitate knowledge sharing.

**Spotlight on Section 4 Grantee: Coalfield Development Corporation**

In 2009, volunteers created Coalfield Development Corporation (Coalfield) to provide “quality homes, quality jobs, quality lives” for the people of West Virginia’s coalfields, beginning with those in Wayne County. Today, Coalfield’s mission as a community-based organization is to provide access to quality and affordable homes, to create quality jobs and to generate opportunities for low-income families in southern West Virginia.

Coalfield has developed 12 units of affordable, green rental housing, has preserved 36 units of rental housing financed under the U.S. Department of Agriculture (USDA) Section 515 program, and currently has 20 newly constructed units of affordable housing in its pipeline. Coalfield tenants are mentored and supported through the Quality Lives Initiative, an innovative, on-the-job training mentorship program that employs trainees full-time to construct affordable housing, tear down dilapidated housing, and build and sell furniture from reclaimed building materials. To better serve the community, the organization has scaled up operations dramatically and now serves Wayne, Lincoln and Mingo counties.

**Local challenge**

In many rural communities, persistent poverty and brain drain have led to substandard housing, unemployment or underemployment and poor quality of life. Coalfield needed resources to provide affordable housing opportunities to residents in the community and give residents more than a place to call home. Without a quality home, individuals and families find it more difficult to focus on other pressing issues in their lives. Coalfield also strives to decrease residents’ dependency on government assistance. For that reason, Coalfield offers mentoring and educational and career opportunities in order to help residents meet goals that they have set for themselves.
How Section 4 funds were used

Section 4 grant funds were used to support Coalfield’s ongoing effort to combat the lack of affordable housing that has persisted for generations in West Virginia. In 2014, Coalfield used a $50,000 Section 4 grant from Enterprise to create a full-time Quality Lives coordinator staff position to oversee life-skills courses for its Quality Jobs Initiative (QJI) crew, as well as coordinate resident services for very low-income tenants in Coalfield-owned affordable housing units.

Section 4 grants were also used to cover predevelopment expenses and staff time to acquire the historical Henson Building – a former medical clinic – in Hamlin, West Virginia. The building will be rehabilitated in order to create affordable housing for families and individuals earning less than 50 percent of the area median income (AMI). In addition, the building will have commercial space available and will serve as a vital resource for a community that severely lacks affordable housing. Section 4 funds are critical to helping Coalfield bring opportunities to this area distressed by decades of poverty.

How Section 4 funds enhanced capacity of organization

Section 4 funding enabled Coalfield to scale up its innovative efforts in two new West Virginia counties, Lincoln and Mingo. With this investment, Coalfield has been able to permanently establish itself in a three-county region, more than doubling its scale of operations, its associated developer fees and other earned income. As a result, Coalfield is in a better position to continue to serve this rural community for years to come.

Notably, Coalfield has been able to leverage the Section 4 funding with private philanthropy to triple its impact over the last two years. By hiring a Quality Lives coordinator, Coalfield has seen a 30 percent increase in completion rates for its mentoring programs and a streamlined process. In addition, nine new full-time positions have been created with the expansion into two new counties, including two new Wayne County crew members, three Mingo County crew members, one Lincoln County crew chief and three Lincoln County crew members.

On September 2, 2014, Coalfield took ownership of the Henson Building, a previously abandoned and dilapidated site, located in downtown Hamlin, signifying Coalfield’s expansion into Lincoln County. Currently, Coalfield is working with the West Virginia Housing Development Fund to place HOME Investment Partnerships (HOME) program dollars into the project. The building will have four units of quality, affordable housing and also serve as Coalfield’s Lincoln County office.