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: Community Housing Initiatives**

Founded in 1994, Community Housing Initiatives, Inc. (CHI) is one of Iowa’s largest nonprofit housing development organizations. Its mission is to cultivate opportunities for vibrant neighborhoods and communities. To date, CHI has developed or preserved over 1,600 units of affordable housing across the state of Iowa in rural and urban communities with populations ranging from 600 to 200,000 people. Ninety-nine percent of CHI’s housing stock serves low-income households below 80 percent of the area median income (AMI).

Over the past two decades, CHI has crafted housing solutions for some of Iowa’s most significant housing challenges, including affordable special needs housing with supportive services, project-based housing preservation, historic adaptive re-use, and rental housing for persons transitioning out of prison. CHI’s vision is that all of Iowa’s communities are places where everyone leads rewarding and productive lives.

**Local challenge**

Because CHI serves rural communities across Iowa, effective and efficient property management can be a challenge. In turn, this often limits CHI’s ability to serve even greater numbers of rural residents. Although CHI has four regional management offices across Iowa, its new U.S. Department of Agriculture (USDA) Rural Development projects are located at least 60 miles from its existing property management hubs. In order to maximize efficiency, CHI needed to identify new management solutions to minimize the impact of the properties’ isolation. Moreover, CHI believed that improving property management practices would lead to greater resident engagement and streamlined management processes.
How Section 4 funds were used

Between 2012 and 2015, $50,000 in Section 4 grant funds were used to support CHI’s continued effort to address the unique challenges that face rural housing development.

With this investment, CHI was able to hire a consultant to help identify the best property management software to meet its needs, given its rural footprint. Ultimately, Section 4 grants allowed CHI to acquire and implement RENTCafé® Affordable Housing™, a brand new software to streamline its operations and improve its property management capacity. Staff received training on the new software and CHI used Section 4 funds to offset computer hardware costs.

Moreover, CHI staff received U.S. Department of Agriculture Section 515 compliance training so that it could better manage its expanded portfolio.

How Section 4 funds enhanced capacity of organization

Section 4 funding has helped CHI to achieve its goal of successfully managing properties in rural areas by using the RENTCafé software from Yardis Systems, Inc. Rent Café is a new software, and CHI was selected as a pilot project for this important affordable housing management tool. The Rent Café software is designed specifically to address the unique requirements of affordable housing, and offer a groundbreaking new tool for on-line application, automated verification, and credit/criminal background checks.

Without Section 4 funding from Enterprise, it would be more difficult for CHI to increase its capacity to adequately manage its properties.

Upon successful implementation, RENTCafé will allow the organization to:

- Automate resident marketing solutions with real-time unit availability and listing services, and the ability to integrate social media platforms to reach more prospective residents.
- Allow residents to secure housing more quickly by applying for affordable housing online. Existing residents can also submit recertification information online.
- Provide residents with access to payment history and other tenant data.
- Allow for non-emergency maintenance requests to be filed online 24 hours a day.
- Significantly streamline operations and expand the scope of services to rural residents. Furthermore, the transition will allow CHI to offer electronic applications and automatic on-line payment services, which will reduce rural isolation issues.