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: Rural Neighborhoods**

Founded in 1982, Rural Neighborhoods (RN) is a community development corporation in Homestead, Florida, that provides decent places to live for working families – especially migrant and seasonal farmworkers – in order to eliminate substandard housing and make rents affordable. Its aim is to build strong communities where people can live, grow and gain the pride and hope that accompanies homeownership. RN serves small towns and rural communities throughout Florida with a strong agricultural legacy. Targeted communities include Florida City, Immokalee, Labelle, Okeechobee, Ruskin, Fort Pierce and Winter Haven.

To date, RN has developed more than 1,600 units of single-family and multifamily housing in seven farming communities throughout the state. Through RN’s work, poor communities become sustainable neighborhoods and good places to live.

**Local challenge**

In the Eden Park-Esperanza Place (EP2) neighborhood in rural Immokalee, Florida, foreclosure rates have placed the small town among the nation’s hardest hit communities, stalling many housing developments. Local housing organizations – some several decades old – threatened to close due to dwindling resources that put existing multifamily rental communities at risk.

Local organizations asked RN to help preserve at-risk affordable housing developments and prevent the displacement of residents. To do so, however, RN needed to transform from a real estate project development organization to a place-based, neighborhood stabilization and revitalization expert.
How Section 4 funds were used

A $50,000 Section 4 grant helped RN recruit staff, measure local market needs, and assess new construction and preservation strategies to revitalize EP2. This support advanced RN’s development and housing efforts by providing the resources to develop a long-term redevelopment plan to revitalize EP2 and provide affordable housing for years to come.

Specifically, Section 4 funds helped RN:

• Match funds in order to hire skilled, professional planning staff to take the lead in soliciting the participation of 125 residents and 15 stakeholders to create the EP2 Neighborhood Revitalization Plan.

• Evaluate local market demand for rental and homeownership housing strategies at income levels ranging from 50 to 120 percent of the area median income (AMI).

• Pursue technical assistance to evaluate the acquisition of several partially-developed subdivisions and older rental properties for land banking and preservation strategies.

How Section 4 funds enhanced capacity of organization

Section 4 grant funding has enhanced RN’s neighborhood stabilization capacity, allowing the organization to transform from one primarily engaged in real estate project development to one that works with residents and stakeholders to direct place-centered revitalization efforts. As a result, RN has not only been able to preserve existing investments, but also create a neighborhood revitalization plan for the EP2 target area, including renovating existing housing stock and constructing new neighborhood assets. This investment allowed RN to fill a vacuum posed by the downsizing and closure of small, local housing organizations.

With the assistance of Section 4, RN was able to better engage residents and stakeholders and take on the roles of grassroots organizer and professional planner for the EP2 Neighborhood Plan for the next five years. The plan provides a road map to RN’s board of directors and is expected to provide dividends in leveraging future public-private investment in the target area. RN has purchased and land banked 30 acres for the construction of 80 single-family homes and 100 units of multifamily housing. It also has acquired and preserved an additional 48 units of rental housing and acquired site control and rehabilitation financing for 74 other EP2 rental housing units.

Today, RN has a multiyear pipeline of local housing development endorsed by neighborhood residents. More than $12 million in neighborhood real estate assets were preserved, and other parcels have been land banked for future investment.