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: Self-Help Housing Corporation of Hawaii**

Self-Help Housing Corporation of Hawaii (SHHCH) improves living conditions in Hawaii by providing technical assistance to very low- and low-income families as they build their own homes through the Self-Help Housing method of construction. Under the program, families work on nights and weekends to build their own homes, reducing construction costs, building equity and making long-term investments in their community.

Under its Self-Help Housing program, SHHCH procures and develops suitable land sites, provides prepurchase financial counseling, loan counseling, and homeownership education courses, helps secure and package affordable financing, and provides on-the-job construction training.

Over the past 28 years, SHHCH has helped more than 620 Self-Help Housing families on Oahu, Kauai, Maui and Molokai become homeowners and has completed 12 contractor-built homes, including both new construction and rehabilitation.

**Local challenge**

Hana is a remote, rural area with just 1,200 residents in the eastern part of Maui. Like other communities in Hawaii, Hana suffers from an affordable housing crisis. The median home price in Hana is nearly $730,000, while the per capita income is less than $15,000. The cost of housing is far beyond the means of Hana residents – predominately native Hawaiian – who typically work in the tourism or agricultural industries. And, the rise of resorts and vacation homes have fueled real estate speculation and skyrocketed housing prices.

Moreover, far too many local Hana residents live in severely substandard and overcrowded conditions. Some live in tents, in homes with outdoor plumbing or without any plumbing, electricity, or potable water. Due to its remote location, no affordable housing had been built in Hana for 35 years.
How Section 4 funds were used

The Helani Gardens Self-Help Project, a 14-lot Self-Help Housing subdivision developed by SHHCH, has faced several challenges.

Because of its remote location, it is difficult to transport construction materials and services to Hana. The road to Hana is often closed in inclement weather, causing significant delays for subcontractors and county inspectors.

In 2011, just as the Self-Help Housing families were closing on their mortgage loans and starting the construction of their home, the Federal Emergency Management Agency (FEMA) reclassified the location as a flood zone. In order to continue with the project, SHHCH had to re-site all of the homes further away from the streambed. While FEMA approved the changes for 12 of the 14 homes – allowing the Self-Help Housing families to move forward with construction – FEMA would not approve two of the homes until a new flood study could be redrafted and approved.

A $39,000 Section 4 grant was used to provide technical assistance to help these two families overcome these challenges and become homeowners. Funds were used to provide financial counseling for more than three years to help them to establish a household budget, pay off collection accounts and qualify for a U.S. Department of Agriculture (USDA) Section 502 Direct Loan. Both families lived in extremely substandard conditions without running water, electricity or refrigeration, and this was their only opportunity to become homeowners.

How Section 4 funds enhanced capacity of organization

With Section 4, SHHCH has been able to overcome many of the unique barriers to affordable housing in Hawaii’s remote rural communities. SHHCH acquired the skills needed to manage subcontractors in difficult-to-access locations, as well as navigate complicated FEMA regulations and processes. With this first-hand experience, SHHCH can better manage its construction efforts and ensure federal compliance.

Moreover, the grants directly led to the construction of two new affordable homes for families previously living in extremely substandard conditions.