



**CONNECTING THE DOTS:  
Fostering Community &  
Economic Development**



**2011 ANNUAL REPORT**



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## CHAIRMAN'S MESSAGE

The Nevada Rural Housing Authority (NRHA) has laid the groundwork to play an increasingly dynamic role in the future of rural Nevada. With enthusiastic support for a new strategic direction and recent NRHA Board approval, the organization will be taking a proactive role in economic development across the state.



The main thrust of this new initiative is the creation of an economic vision network.

The goal of this network is to bring together key players in the private, public and social sectors to help our rural communities get things done more effectively and to align with the development goals of the state as a whole.

**NRHA will help connect the dots in rural Nevada between the private, public and social sectors, and between needs and solutions.**

The new economic realities resulting from the housing market collapse and economic downturn of recent years require a new approach to community building, in both the short and long term. The economic vision network will facilitate this new approach.

While NRHA has always relied on collaboration to make things happen. Formalizing this approach will enable us, along with our partners in the public and private sectors, to get results even faster and better shape the future of rural Nevada.

The new strategic plan provides the blueprint for a more effective NRHA to better serve the economic development needs of rural Nevada. With this plan and our energized leadership, NRHA will help connect the dots in rural Nevada between the private, public and social sectors, and between needs and solutions.



Left to right NRHA Board: **Tom Cook, Gwen Washburn, Roger Mancebo, Willis Swan (Chair), and Chandra Henry.**

A handwritten signature in black ink that reads "Willis A. Swan". The signature is written in a cursive, flowing style.

**Willis A. Swan**

**Chairman, Nevada Rural Housing Authority Board of Commissioners**



## THE EXECUTIVE DIRECTOR'S MESSAGE

Change is good. Change is exciting! NRHA experienced tremendous change during this past year and these changes are guiding the organization in meaningful new directions.

In 2011, we added some new members to our team and they are ushering in some of our most exciting changes. Tammy Lancaster, Director of Finance, Kate Gazunis, Director of Operations, Tom Stone, Deputy Director, and Marka Turner, Director of Housing Programs, join Melanie Evans, Director of Administration, to form our dynamic leadership team. Their titles reflect the evolution of our future focus in rural Nevada.

This group is bringing new ideas and a new vision to NRHA that is energizing the entire organization along with our trusted consultants who include our valued and trusted counsel, Ernie Adler, Estipona Group Advertising and Public Relations, Raymond James | Morgan Keegan, managing underwriter, One Globe, strategic planners, and JL White & Associates, development consultants.

While much of our government funding has decreased in recent years, our innovative team manages to get more done with less and 2011 saw exceptional results. Our award-winning Housing Choice Voucher Program (seven years of HUD awards!), record numbers of first-time home buyers made possible by Home at Last™ financing programs, and interesting real estate development projects in Carson City, Yerington, Winnemucca, and Eureka, are making an incredible impact on the quality of life in rural Nevada.

With our track record of success, it would be easy to get complacent, but we are not a group prone to complacency. We know our work is not done, so we begin another year energized and thrilled about the possibilities.




**D. Gary Longaker**

**Executive Director, Nevada Rural Housing Authority**

**While much of our government funding has decreased in recent years, our innovative team manages to get more done with less.**

## ENHANCING QUALITY OF LIFE IS A MATTER OF CONNECTING PEOPLE WITH RESOURCES.

For more than 40 years, Nevada Rural Housing Authority (NRHA) has pursued its mission of enhancing the quality of life in rural Nevada with passion and determination. In recent years, we have also approached this mission with resourcefulness and innovation.

2011 was a year of evolution as NRHA worked to further expand its role and become a catalyst for rural economic development and collaboration. Recognizing new economic realities, we continue to be innovative and aggressive in seeking out new funding sources. Bringing entities from different sectors of our community together is one way we have been able to get things done more efficiently and cost-effectively. Throughout this report you will find icons representing the private sector  (banks, developers, etc..), the public sector  (government entities), and the social sector  (represented by NRHA). These icons offer a graphic representation of how NRHA is helping to connect the dots throughout rural Nevada and get things done to improve the quality of life in rural Nevada and beyond.

### OUR PEOPLE MATTER MOST

Nevada Rural Housing Authority serves rural communities throughout the state with a small, but mighty team of strategic thinkers. Our team is our greatest asset. In 2011 we lost a few members to retirement and new ventures, but we gained a formidable contingent of new leaders.



Left to right: **Marka Turner, Melanie Evans, Kate Gazunis, Tom Stone, Gary Longaker and Tammy Lancaster.**

These new team members bring an incredible wealth of experience and knowledge to NRHA. Their varied backgrounds offer us diversity in thinking and approach, but they all share a passionate commitment to serving Nevada's underserved populations and working hard to make our rural communities better places to live and work.

**WE KEPT OUR FINANCIAL HOUSE IN ORDER**

- Increased overall agency reserves through an entrepreneurial spirit and way of thinking not typical in our environment
- Proactively responded to cuts in some areas of funding through well thought out cost saving measures, while maintaining service levels and increasing efficiency across the organization
- Received consecutive successful evaluations for program administration of Nevada Housing Division (NHD) funds used to benefit families through weatherization, security deposit and rental assistance

The team's varied backgrounds offer us diversity of thinking and approach, but they all share a passionate commitment to serving Nevada's underserved populations and working hard to make our rural communities better places to live and work.

**NEVADA RURAL HOUSING AUTHORITY  
ANNUAL REPORT SUMMARY OF FINANCIAL PERFORMANCE**

Fiscal Year	Operating Revenues	Operating Expenses	Non-Operating Items	Surplus (Deficit)	Total Net Assets
2011	\$15,712,635	\$16,103,685	\$142,623	\$(248,427)	\$12,407,290
2010	14,610,319	14,248,145	153,149	637,761	12,655,717
2009	13,394,164	14,241,886	118,728	(728,994)	12,018,956
2008	13,587,825	13,133,675	3,316,008	3,770,158	12,747,950
2007	13,317,929	11,358,710	(102,021)	1,857,198	8,977,792
2006	13,306,642	12,851,217	2,957,310	3,412,735	7,120,594

## CONNECTING LOW-INCOME NEVADANS WITH SAFE, AFFORDABLE SHELTER.

One of the most important services Nevada Rural Housing Authority provides is getting low-income Nevadans into safe, comfortable and affordable rental housing. Through its Housing Choice Voucher program, NRHA administers government-issued rental vouchers, as well as security deposit loans, to households with income that falls below federally set limits. The low income households receiving assistance include military veterans, elderly, and the disabled.

### ANOTHER STANDOUT YEAR FOR OUR HOUSING PROGRAMS

Again in 2011, NRHA was recognized as a High Performer by the Department of Housing and Urban Development (HUD) for its Housing Choice Voucher rental assistance program. The award recognizes outstanding and noteworthy achievement including outstanding program administration, a 100% Mainstream lease up rate and a 99.99% HCV utilization lease up rate.

NRHA received a Special Achievement award for Consistently High HCV Utilization. This award from HUD recognizes our ongoing success in providing rental assistance to those in need year after year. Few housing authorities, with increasingly limited and diminishing resources, are able to exceed expectations the way NRHA has year after year.

### 2011 HOUSING PROGRAMS

- 1,672 low-income households served
- 165 elderly and disabled citizens assisted
- 75 low-income Veterans provided services through HUD's Veterans Affairs Supportive Housing

### FINDING MONEY TO SERVE OUR LOW-INCOME NEIGHBORS

NRHA is a trusted housing partner, not only with the Department of Housing and Urban Development and U.S. Department of Agriculture (Rural Development), but with many other local and regional agencies. Through grants from groups like Western Nevada Housing Consortium, Nevada Housing Division, and Northern Nevada Board of Realtors, NRHA's Housing Program is able to serve even more Nevadans.

**NRHA's  
Housing Program  
was named a High  
Performer by HUD for the 7th  
time, and received a Special  
Achievement award for  
Consistently High HCV  
Utilization.**



**Anna Villalobos, Resident Service Coordinator, assists one of NRHA's tenants.**

### RESIDENT SUPPORT SERVICES

Since 2006, NRHA's Service Coordinator has worked to help seniors in our low-income housing to maintain independent living. With care that ranges from help with Social Security paperwork, to home meal delivery and transportation, the program has proven very successful at keeping these aging residents in their own homes. With support from a HUD grant in 2011, the NRHA Resident Service Coordinator, Anna Villalobos, was able to provide needed support at Southgate Apartments and outreach at Yerington Manor to more than 200 residents.

### 2011 HOUSING PROGRAM GRANTS

- Western Nevada Housing Consortium – \$100,000 for Tenant Based Rental Assistance (TBRA), \$25,000 for security deposit loans
- Nevada Housing Division – \$110,000 for TBRA and security deposit loans
- Department of Housing and Urban Development – \$73,000 for Service Coordinator position

### HOUSING CHOICE VOUCHER HOME OWNERSHIP PROGRAM SUCCESS

Nevada Rural Housing Authority has helped nine rural Nevada families achieve the dream of homeownership through the Housing Choice Voucher Home Ownership Program. When a family can improve its circumstances in such a way that they are able to move from requiring rental assistance to owning a home, we know that our services are working to improve lives.

**With the support of the NRHA Housing Program, nine Nevada families stopped renting and became homeowners.**

### COLLABORATING WITH SOCIAL SERVICES

In 2011/2012, NRHA worked with Child Protective Services (CPS) to receive referrals for NRHA's Family Unification Program. The goal of the program is to help re-unite and keep together families that receive support from CPS. In addition to the supportive services offered by CPS, NRHA helps provide security deposits and rental assistance. NRHA will continue collaborating with Child Protective Services on this pilot program.



## CONNECTING HARD-WORKING NEVADANS WITH THEIR FIRST HOMES.

### HOME AT LAST™ CONTINUES TO GROW AND EVOLVE

From our first \$10 million bond program back in 2006, Nevada Rural Housing Authority has greatly expanded the Home at Last™ home financing program. Home at Last™ now includes a Mortgage Credit Certificate program (MCC), financing with a down payment match (WISH), and financing with a down payment grant (Advantage). As an incredible bonus to buyers, WISH and Advantage can also be coupled with MCC for even more homeowner savings.

### FINDING THE RESOURCES TO BRING PEOPLE HOME

Nevada Rural Housing Authority is not funded directly by federal or state government, so in order to fund our programs we need to be resourceful and creative—the Private Activity Bond Cap Allocation (PABC) is an example of both.

Through the PABC program, developed by NRHA in 2006, Nevada’s counties and incorporated cities pool their private activity bonds. These are tax-exempt bonds issued to provide low-cost financing for private projects that serve a public purpose. By pooling their relatively small allocations, NRHA is able to provide resources and services that all rural communities can benefit from, but individually could not afford.

**In 2011, NRHA received \$28,899,016 in transfers from cities and counties and matching funds from the state for a total transfer of \$57,798,032. Since 2006, NRHA has collected \$365,740,700 in PABC funds in order to fund housing program in rural communities.**

### HOW HOME AT LAST™ INVESTS IN OUR COMMUNITIES

Year	Program	Mortgage and down payment funds generated	Tax savings	Families Served
2006	Home at Last™ Bond	\$10,000,000		51
2007	Home at Last™ Bond	\$23,000,000		110
		\$50,000,000		267
2009	Home at Last™ Bond	\$45,000,000		329
	Home at Last™ MCC yr 1	\$12,000,000	\$3,316,732	82
2010	Home at Last™ MCC yr 2	\$10,000,000	\$2,588,819	70
2011	Home at Last™ MCC yr 3	\$12,800,000	\$4,354,637	86
2012	Home at Last™ MCC	\$15,000,000	\$1,287,398	17
<b>Totals:</b>		<b>\$175,800,000</b>	<b>\$11,547,586</b>	<b>1,012</b>

Over  
1,000 Nevada  
families have  
purchased their first  
home with help from  
Home at Last™.

### VARIETY AND INNOVATION IN HOME FINANCING

#### Home at Last™ Bond

NRHA's Bond programs provide competitive mortgage rates and down payment assistance to qualified first-time buyers. In 2011 we closed our third tax-exempt bond program (opened in 2009), with successful utilization of \$25 million in bond allocation that was expanded to \$45 million worth of mortgage loans for first-time buyers. That is a substantial infusion into the economies of our rural communities.

#### Home at Last™ MCC

NRHA was the first mortgage issuer in Nevada to administer a Mortgage Credit Certificate program (MCC). The program provides a dollar-for-dollar federal income tax credit equal to 20 to 35% of the interest paid on a mortgage loan depending on purchase price and other factors. In 2011 we completed the first three-year MCC program, through which we were able to not only provide tax savings to new homebuyers over the life of their loan, but also expand lender relationships and educate lenders about the benefits of the program. During 2011, \$12.8 million in loans were administered through the MCC program saving families an estimated \$4.3 million in taxes.

#### Home at Last™ WISH

The NRHA WISH program, or Workforce Initiative Subsidy for Homeownership, utilizes funds from the Federal Home Loan Bank to provide generous down payment assistance by tripling the down payment contribution of qualified homebuyers up to \$15,000. For every \$1 that the homebuyer contributes, the WISH program provides \$3. In 2011, NRHA received \$350,000 in WISH funds through Heritage Bank. We administered the first allocation within four months of receipt and received an additional allocation of \$225,000 from Nevada State Bank that carried the program through first quarter 2012.

#### Home at Last™ Advantage

NRHA's newest home financing program is Home at Last™ Advantage, just launched in 2012, which provides a competitive interest rate in addition to a down payment grant equal to 4% of the original loan amount. NRHA is one of the few agencies in the country to offer such a program which may also be paired with the MCC program to offer first-time buyers unprecedented combined savings.



**Debra Christensen, pictured with her daughter Hannah, were the first homebuyers to use the Advantage program.**

## CONNECTING RURAL COMMUNITIES WITH THE RESOURCES THEY NEED TO GROW AND THRIVE.

The Nevada Rural Housing Authority's Real Estate Division continues to grow and evolve taking on a more dynamic role in rural economic planning and development. Working with local rural communities throughout the state, we are assessing, developing, and implementing a whole host of affordable housing and community development solutions.

### GROWING REAL ESTATE DIVISION IS A COLLABORATION MODEL

#### Larios Arms Senior Residence

Working with Desert Winds Development Group, the Humboldt Development Authority, City of Winnemucca, Federal Home Loan Bank, and Nevada Housing Division, Nevada Rural Housing Authority developed Larios Arms in Winnemucca, Nevada. The first phase of the planned 60-unit apartment complex features 30 senior residences. These new residences are adjacent to the local Pleasant Senior Center creating a senior campus that includes the senior center, Larios Arms and Winnemucca Manor.



**The new Larios Arms Senior Residence in Winnemucca**

The Larios Arms construction project injected \$6.4 million into the local economy through expenditures that included construction labor, permits, and building materials.

#### Yerington Manor

Yerington Manor celebrated a Grand Re-Opening in 2011 after completing a Green Retrofit of its 52 senior apartments. NRHA was the first agency in the state of Nevada to be awarded a grant and complete a green retrofit of a senior housing complex. This project was recognized locally and nationally as a model for innovative, rural green construction and redevelopment which injected \$900,000 into the local economy.



**“We have had a good working relationship with Gary Longaker and NRHA for many years, and I have been particularly impressed with their first time homebuyer programs. When I was trying to put together the “winning team” for the NSP2 Consortium and needed demonstrated strength with homeownership programs, the NRHA was my clear choice as a partner.”**

– DAVID MORTON, EXECUTIVE DIRECTOR,  
RENO HOUSING AUTHORITY

**Neighborhood Stabilization Program**  

In 2011, Reno Housing Authority (RHA) asked NRHA to collaborate with them to secure a federal grant. The joint proposal earned RHA \$21 million in federal grants through the Neighborhood Stabilization Program 2 (NSP2). Of 482 grant applicants across the country, only 56 were awarded grants and the RHA/NRHA proposal was successful, in large part, because of NRHA’s experience with their innovative Home at Last™ mortgage products.

With the NSP2 funds, RHA is purchasing abandoned and foreclosed homes in low-income neighborhoods in order to breathe new life into communities. Through their partnership with RHA, NRHA received five refurbished homes in Washoe County that are now being rented to low-income families (under 50% of the median income).

**City of Fernley Assessment**  

The City of Fernley approached NRHA to help them assess community housing and economic development needs. As a preliminary step, NRHA participated in a focus group of stakeholders in 2011.

**Charles Schwab Grant**  

In 2010, Charles Schwab Bank issued a \$15,000 grant to NRHA for rehabilitation of a \$1 HUD home in Storey County. Improvements included new appliances, cabinets, carpet, furnace, interior and exterior paint, and landscaping. Once the home was fully renovated, it was sold to a local family that met affordable eligibility guidelines.

### **\$1 HUD Homes**

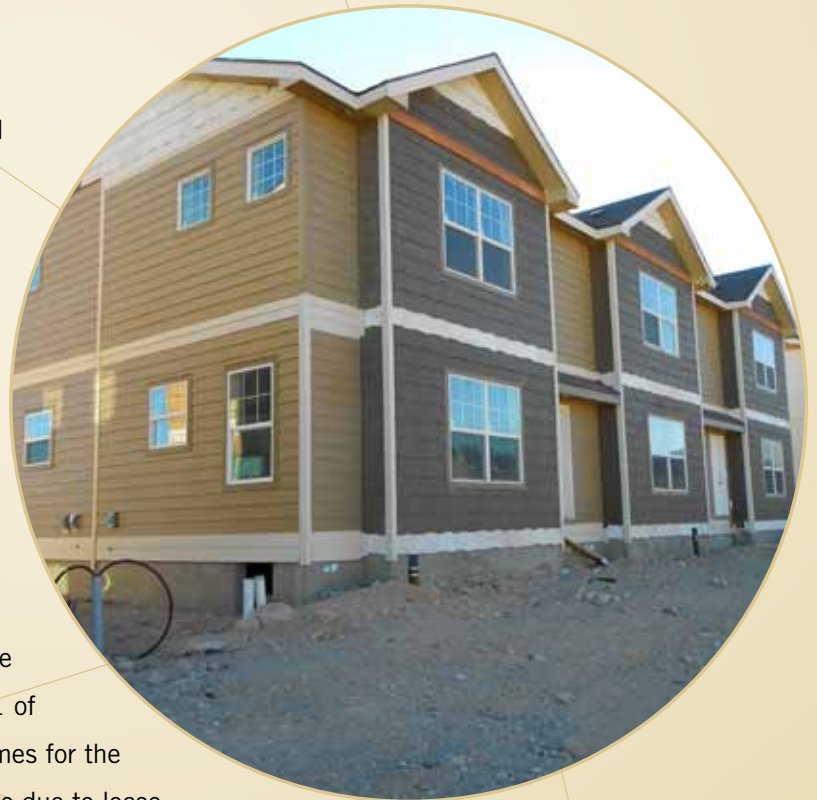
The Department of Housing and Urban Development's (HUD) \$1 Homes initiative helps local governments to foster housing opportunities for low to moderate income families and address specific community needs by offering them the opportunity to purchase qualified HUD-owned homes for \$1 each.

As a trusted housing partner, NRHA was able to acquire a number of \$1 homes. In Fallon, a home was acquired, rehabilitated and is currently being rented. In Eureka, two homes were acquired, rehabilitated and sold to moderate income families.

### **Eureka Canyon Development**

In response to an assessed need for additional housing for mine workers, Bureau of Land Management employees, teachers and others, NRHA began working with Eureka County in 2010. The Eureka Canyon subdivision is an example of a successful collaboration between the public (Eureka County), private (mining companies) and social (NRHA) sectors to address the challenges of rural communities.

In 2011, NRHA created the master plan for the Eureka Canyon subdivision, developed phase 1 of the multifamily parcels, and delivered townhomes for the multifamily phase 1 parcel. The townhomes are due to lease up in 2012.



**Eureka Canyon Townhomes, a 50-unit multifamily home development, is currently under construction in Eureka. The development is scheduled for occupancy in 2012.**

## CONNECTING PEOPLE WITH COMFORTABLE, SAFE, AND SUSTAINABLE LIVING ENVIRONMENTS.

### LEADERS IN EFFICIENT AND EFFECTIVE WEATHERIZATION

Nevada Rural Housing Authority's Weatherization Assistance Program helps reduce the cost of utilities and improve energy conservation for low-income Nevadans. Through services like insulating, duct sealing, and window and appliance replacement, NRHA creates a healthier living environment and saves families money on utilities.

Working in partnership with Nevada Housing Division, Nevada Rural Housing Authority secures and administers grants specifically designed to increase energy efficiency. These services are provided free of charge to qualified individuals living in homes, apartments and mobile homes.

NRHA's proven leadership and success in effective weatherization practices and efficient use of funds led to the program being awarded grants from multiple public and private sources in 2011/2012. Over \$1 million was invested in improving the health and energy efficiency of homes.

### 2011 FUNDING

Low-Income Housing Trust Fund—\$46,629.51

Fund for Energy and Conservation—\$174,489

Department of Energy—\$33,159

Low Income Home Energy Assistance—\$15,456.10

American Recovery and Reinvestment Act—\$1,254,965 (two year grant)

Southwest Gas—\$128,450

Sustainable Energy Resources for Consumers—\$462,976 (two year grant)

Wells Fargo—\$20,000

Bank of America—\$15,000

### 2011 SUCCESSES

- Provided weatherization services to 251 homes
- Received a 99-100% pass rate for weatherized homes from inspectors with Nevada Housing Division
- Installed a photovoltaic solar panel system at Southwood Apartments in Yerington, Nevada
- Installed a photovoltaic solar panel system on two single family homes in Lyon County and Carson City

**NRHA improved  
251 homes in 2011,  
exceeding their annual  
goal for homes served  
by 21%.**

## LOOKING FORWARD

Moving into 2012 and beyond, Nevada Rural Housing Authority has many exciting projects and innovative initiatives to look forward to.

- NRHA is developing and improving rental housing for households in rural Nevada and are in the process of acquiring two apartment complexes, Mountain Shadows and Pinion Apartments in Elko, that receive subsidy from USDA Rural Development.
- The Housing Programs department is searching out new grant opportunities to provide services for military Veterans and the homeless throughout rural Nevada.
- In response to unprecedented growth in the mining industry in northern Nevada, NRHA will complete a housing needs assessment study to provide a road map for future workforce housing developments.
- In conjunction with Desert Winds Development Group (DWDG), by the end of 2012, NHRA hopes to be underway with a complete renovation of Sunridge Quarters Apartments in Fallon.
- Extensive upgrades to Winnemucca Manor Senior Apartments will take place beginning in the summer of 2012.
- In Carson City, NRHA, DWDG and the Western Nevada HOME Consortium are collaborating to evaluate development options for a large parcel within city limits. NRHA is helping Carson City assess the most appropriate use for this site and has received a federal HUD grant to fund two environmental studies for the property.

These projects represent just a fraction of NRHA's plans for Nevada's future. With a dynamic team in place overflowing with ideas there is no limit to the work we can do connecting the dots throughout Nevada and enhancing the quality of life in rural Nevada.

## MISSION

Nevada Rural Housing Authority enhances the quality of life in rural communities by providing the resources for greater independence through affordable housing and related programs.

## VISION

Nevada Rural Housing Authority creates hope for the future by providing a full range of housing and community development programs that help build and sustain independent communities.



**GETTING YOU HOME**

**3695 Desatoya Drive  
Carson City, Nevada 89701  
nvrural.org  
775.887.1795**

The Nevada Rural Housing Authority is a self-supporting organization that does not rely upon the State budgeting process for its operations. All operating expenses are paid from program revenues and independent funding sources. No taxpayer dollars were used to produce this document.

