

# Habitat For Humanity Builds Homes And Hope

by Darcy Varney

A person is not a person without a home.

—Talmud, Yevamot 63a

When Judy Pitcairn moved into a remodeled bungalow on Northeast 14th Place in Portland 12 years ago, she did not think she was doing the city a favor. To Pitcairn, purchasing the house represented simply a personal milestone, a new beginning in her family's life; a move toward financial independence and self-sufficiency. Pitcairn's \$26,000 investment, however, has netted a high return for herself, her four children and her neighborhood—the least of which is the nearly three-fold increase in the value of her home. Pitcairn is a Portland Habitat for Humanity homeowner. She purchased her home, appraised in 1986 at \$43,900, for the amount of money it took community volunteers to transform it from a tax-foreclosed, abandoned eyesore favored by drug dealers and transients into a simple, decent house for a hard-working family. In rehabilitating the home, Portland Habitat not only brightened a shady property, but also restored Pitcairn's sense of self-worth and optimism. Such transformations remain the heart of Habitat for Humanity.



Judy Pitcairn and her daughters, Desiree (left) and Jolene (right) on the steps of their new home.

Habitat for Humanity International (HFHI) lists more than 1,400 local affiliate projects around the United States. In 1981, a small group of Portlanders inspired by the loss of quality affordable housing in the city's Northeast neighborhoods established Portland Habitat for Humanity as the first affiliate on the West Coast. The organization became one of the city's pioneer nonprofit community developers and grew around a simple mission: enable very-low income people, such as a family of four that annually earns between \$14,850 and \$29,750, to attain the stability and dignity of homeownership. Habitat affiliates serve "that segment of the population that is right above the totally destitute and right below the people who can go to the bank and get a conventional loan," says HFHI Founder and President Millard Fuller.<sup>1</sup> That service alone is unique. Habitat, however, goes beyond mere construction and sales; the organization attacks poverty at its roots and changes the character of entire neighborhoods.

If poverty begins with dependency, then a sense of accomplishment and knowledge can engender the healthy self-concept necessary to succeed. Habitat homeowner families earn their stability by investing 400 hours of "sweat equity": hammering two-by-fours together, digging drainage ditches, installing insulation, and sorting bulk mailings. By requiring applicants to make a personal investment of time and labor, Habitat "does not offer charity," writes Fuller. "It does offer responsibility and it offers hope."<sup>2</sup>

Commitment is key. Portland Habitat applicants must complete half of their required 400 hours within one year after they are approved for the program—and only after logging those 200 hours do they find out which property they will own. Once in the home, owner families make monthly mortgage payments on a zero-interest, 30-year contract.

Homeownership benefits individuals and communities by building security and stability: families can count on their regular mortgage expense, and, by owning the property, they build up equity as it appreciates. Stability, in turn, leads families to invest in their neighborhoods by



planting gardens, maintaining their homes and joining neighborhood-watch programs to ensure their children safe places to play. Renters, in contrast, have little incentive to put effort into their environments. After meeting the initial obligation to lay out large sums of money in the form of security deposits and first and last months' rent, they often live at the whim of landlords, who can raise the rent or sell the

**Hundreds more families remain trapped in a cycle of low wages and high rental rates for substandard housing.**

property without consulting the family. And each time they move, they leave their monthly payments behind.<sup>3</sup>

While beneficial for homeowners, increasing property values make it difficult for nonprofit community developers such as Habitat to obtain land and build affordable homes. Portland Habitat offsets rising expenses by recruiting volunteer labor and seeking donated materials, enabling the organization to sell its homes at cost. The results are dramatically life-changing.

At the time the rehabilitation of her house began, recalls Judy Pitcairn, "I was a single mother of four kids between the ages of 5 and 16 living in a two-bedroom

house that was in real need of just basic repairs. The landlord lived in Bend, so not much got done." Their cramped, ramshackle quarters caused quick tempers among the children, and Pitcairn grew frustrated by her lack of parental control.

Just off welfare and struggling to pay rent and buy basic necessities with her income from an entry-level clerical job, Pitcairn searched for a way to obtain a decent house that was affordable and safe, yet big enough for her whole family. She learned about Portland Habitat at her church and was encouraged to apply for the program. Several months later, she and her family took up residence in their new home and Pitcairn began making payments on a Habitat mortgage set at an affordable rate of 25 percent of her monthly income.<sup>4</sup>

Once her family moved into its home, tensions among her children eased; over time, Pitcairn moved up in her job to a word processing III tech, and her oldest son, Patrick, earned a master's degree in business management and aviation through the Air Force. Pitcairn also noticed a greater sense of self-worth welling up within her. Together, she and her neighbors, including three other Habitat homeowners, fought the rampant drug activity on 14th Place and cleaned up the corridor. "If a problem goes down in that neighborhood," Pitcairn says, "everybody is out there and handling it, pulling

together. There's been a real change in the neighborhood in that time."

Pitcairn's experience is typical of Habitat homeowners, both in Portland and around the nation. In 1993, a student at Augsburg College in Minneapolis, Minn., interviewed 40 families who had earned Habitat homes in the Twin Cities area within the previous seven years and discovered the following: 35 percent experienced an increase in their children's grades; 68 percent experienced an increase in their financial situation because of the home; 23 percent experienced an improvement in at least one family member's health; 58 percent experienced less family conflict after moving

### Portland's fast-rising property values have presented Habitat with the challenge of acquiring affordable housing for its clients.

into the home; and 40 percent reported that at least one family member's educational goals had changed since moving into the home.<sup>5</sup> Another study, conducted in 1994, concluded that children of homeowners stay in school longer than children of renters, they have a lower probability of being arrested, and they have a lower probability of having children themselves by age 18.<sup>6</sup> In the 12 years that Portland Habitat has held Pitcairn's mortgage, 30 other very low-income Portland families have sought out the same opportunity and found a home in Northeast Portland through Habitat.

Despite success stories such as Pitcairn's, literally millions more families remain trapped in the vicious cycle of low wages and high rental rates for substandard housing. Roughly 7 million families in the United States suffer in unsafe, inadequate houses and apartments.<sup>7</sup> In the Metro region, some 15 percent of homeowners and 30 percent of renters pay more than 30 percent of their income on housing expenses.<sup>8</sup> Executive Director Cynthia Winter reports that Portland Habitat for Human-



ity receives more than 300 applications for the eight to 12 homes it builds each year.

The Community Development Network lists 22 member organizations now working in Portland's inner-city neighborhoods to satisfy the housing need, building a permanent stock of affordable dwellings in all forms, including ownership, rental and lease-purchase. The commitment of those organizations, says City Planner Cathey Briggs, has helped build a stable community in Northeast Portland. "There's no question that the [community development corporations] and nonprofits contribute a lot to revitalization," says Briggs. "They invested in Northeast when other people weren't."

Although homeownership in Portland's Northeast neighborhoods declined overall from 1980 to 1990, since then, the homeownership rate in several specific census tracts has skyrocketed. Homeownership in the King neighborhood rose 11 percent between 1990 and 1996; during the same period, the Humboldt neighborhood experienced a 10.5-percent increase, according to the U.S. Census Bureau's 1996 American Community Survey. The rise in homeownership in Northeast Portland has helped to push the city's overall homeownership rate to 56 percent, the third highest in the nation and fourth highest for minority homeowners. For Habitat families, keeping communities affordable means helping other low-income people achieve the same goal.

More than 4,200 Habitat homeowners around the country remain active Habitat volunteers long after they have completed their 400 hours of required service. Locally, Pitcairn and another 14th Place Habitat homeowner now serve on the board of directors of Portland Habitat for Humanity. The positive effects of Portland Habitat on the Northeast Portland community benefit other non-profit developers as well. Says Robert Bole, an asset manager for the Enterprise Foundation, "Habitat, better than any

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order to garner support. Those siting criteria would have gone far to protect birds and their habitat, plus protect Native American sacred sites and food gathering areas and address other environmental concerns. However, when actual siting of industrial wind farms occurred it became apparent that the developers' only concern was to find the most windy sites closest to power lines. Virtually every siting criterion was violated. The solution to the bird kills was to secure bird kill permits to take federally protected birds. The solution to bad siting was to offer inadequate mitigation, and when the permit for one wind farm was secured, the company immediately applied for relief from their promised mitigation measures. These are not acceptable patterns for a green energy solution.

Neither should we simply accept that all environmental groups are sincere and vigorous defenders of the environment. Too many of them are funded by grants that ultimately come from the corporations that cause our environmental problems. You might wonder how the environmental groups reacted when their voluntary siting criteria for wind farms were trampled on. Most of them ignored it, some of them tried to deny the problem and cover it up, but a few "loose cannons" like us are pushing for mandatory siting criteria and regional planning before wind power is allowed to proceed in the Northwest.

We must face the fact that "win-win" environmental solutions are rare, and that true confrontation and advocacy for the environment will always be a necessary component of a healthy environmental movement.

**Dave Thies, President, Columbia Gorge Audubon Society**

### O'Toole Was Unconvincing

#### To the Editors:

Mr. O'Toole correctly articulates some of the significant challenges faced by the 2040 plan. However, I found his argument on population density unconvincing.

It appears that Metro's design is for population density of about 5,000 people per square mile. While such density may be higher than metro New York City, it is downright spacious compared with the City of San Francisco. The latter, with 735,000 residents over a land area of 46 square miles, has an average density of 16,000 individuals per square mile.

**Andrew Kaser, Portland, Oregon**

other group in the city, publicizes the life-affirming changes of community development." This summer, 12 years after Pitcairn moved into her bungalow on Northeast 14th Place, she and her family threw a traditional Habitat "mortgage-burning party" when she completed her financial obligation to the organization. Her original investment has matured into a home worth more than \$100,000, and her neighborhood has prospered for it. As the first Portlander to pay off her mortgage in full, Pitcairn is an important part of the Habitat for Humanity success story.

Darcy Varney served for two years as a VISTA volunteer with Portland Habitat for Humanity, one of 30 Habitat for Humanity affiliates in Oregon. For the affiliate nearest you, call 800/365-4637.

(1) Lincoln Bates, "Building a Strong Foundation: Habitat for Humanity's Millard Fuller," *Hemispheres*, March 1998, p. 18.

(2) Millard Fuller, "Reaching Out in Faith and Love," *Habitat World*, February/March 1998, p. 16.

(3) Metro, Growth Management Services Department. *Housing Needs Analysis, Discussion Draft*, March 1996, pp. 7-8.

(4) The standard rate of affordability stipulates that individuals pay less than 30 percent of household income on housing. Metro, *Housing Needs Analysis*, p. 7.

(5) Kim Maria Koscianski, "Habitat for Humanity: Does the Home Make a Difference?" *Sociology* 363, Augsburg College, Minneapolis, Minn. May 1993.

(6) Richard K. Green and Michelle J. White, "Measuring the Benefits of Homeowning: Effects on Children," Department of Economics, University of Michigan, Ann Arbor, January 1994.

(7) Lincoln, *Hemispheres*, p. 18.

(8) Metro, *Housing Needs Analysis*, p. 7.

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**Oregon's Future**  
future@aracnet.com  
(503) 731-9938 voice & fax  
3322 SE Brooklyn Street  
Portland, OR 97202-1927

