

## PROYECTO SALVA BARRIO

### Abstract

Proyecto Salva Barrio, a neighborhood housing rehabilitation demonstration project proposed by the National Council of La Raza and submitted to the Community Services Administration is designed to assist Spanish speaking barrios/colonias to develop viable housing rehabilitation programs using community resources and innovative approaches for the construction and rehabilitation of low-income housing.

The main thrust of the project will be to mobilize all available community resources both public and private to assist in the housing rehabilitation efforts. Institutions and elements within the housing construction industry will be mobilized to work positively to mitigate neighborhood deterioration.

In the past, the Spanish speaking small owner has been victimized by unscrupulous developers; harassed by home constructors dictating construction standards which were too expensive for him to meet; and financing loans were refused by lending institutions because of a lack of credit ratings. The project proposes to deal with all of these factors and to attract more capital into barrios/colonias in the form of rehabilitation loans from governmental as well as private sources.

Another important objective of the project will be to provide technical assistance and to disseminate housing information to local groups and familiarize them regarding government housing programs including funds or loans available for rehabilitations.

Many of the Spanish speaking with acute housing problems live in rural areas. Therefore, they are eligible for loans made by the Farmers Home Administration under its Home Ownership and Home Repairs loans program. Heavy emphasis will be placed on applying for these housing rehabilitation loans. The Farmer's Home Administration had over 305 million dollars of unspent money under its Home Ownership program alone in 1974, which could have been utilized to help alleviate the housing plight of the Spanish speaking.

The program is designed to build on the positive cultural and value system of the Spanish speaking which places a high priority on home ownership and self-help.

Ten local community groups will receive small sub-grants to staff the effort and will also have access to a revolving loan fund of last resort to provide loans to qualified applicants. The total proposed cost of the project is \$560,000.