



FACT SHEET

The U.S. Department of Housing and Urban Development (HUD) recognizes that computer literacy and access are prerequisites for economic opportunity in the information age. Therefore in September of 1995, HUD's Office of Multifamily Housing launched Neighborhood Networks, a community-based initiative that establishes computerized learning centers in insured and assisted housing.

A Bottom-Up Approach to Community Development

Neighborhood Networks takes a bottom-up, individualized approach to community development. All insured and assisted multifamily developments--other than nursing homes--are eligible to participate. Property owners and housing residents are encouraged to form partnerships with members of their community to develop and sustain a center that best suits their own needs. The types of programs and services offered at a Neighborhood Networks Center could include the following:

- o typing, word processing, and computer training
- o general education and job training
- o access to job data banks
- o access to information on health and community resources
- o access to potential collaborators and clients in the development of micro enterprises
- o social awareness and integration
- o participation in online civic and government forums

Interested property owners should submit a business plan to the asset management branch of the local HUD field office in whose jurisdiction the property is located. The plan must describe the types of programs proposed, how residents will be involved in the planning, what community partnerships have been formed to support the center, and how the center will be funded.

Local Support Vital to Success

Neighborhood Networks is not a grant program, so local support is vital. To ensure the success of the center, local businesses, government, educational institutions, private foundations, and other community organizations are needed to donate computers and software and provide capital funding.

In addition to community resources, property owners may use funds from their residual receipts accounts and reserve for replacements accounts to the extent that these funds are not required to meet the anticipated needs of the property. They may also borrow funds from financial institutions as long as the loan is not secured by the property. In limited circumstances, HUD may fund part or all of the costs from rent increases. Resources from related grants within HUD (Public and Indian Housing, Crime Prevention and Security Division) and outside of HUD (Department of Education, Commerce, and Justice and nonprofits like Youthlink) also may be available. Funds for developing a Neighborhood Networks Center may be used for the following:

- o computer hardware and software
- o wiring and servers
- o minor renovations to the center
- o staffing/trainers
- o security
- o maintenance and insurance

An Initiative Whose Time Has Come

Many factors have converged to make Neighborhood Networks a timely initiative. Currently, HUD insures and/or assists about 19,000 privately owned multifamily developments that provide homes for more than two and one-half million households. But the present system of federal policy will affect housing residents and property owners alike. For residents eligible to receive housing vouchers, changes in federal policy will create a new freedom of choice in housing location. Owners, in turn, will be challenged to create amenities in their developments to reduce federal resources and will need to increase their personal income. All of these factors make Neighborhood Networks an initiative whose time has come.

For Further Information

Specific information on Neighborhood Networks is contained in Chapter 9 of Handbook 4381.5 Rev 2 Change 2. For further information on starting a Neighborhood Networks Center, call the Asset Management Branch of the local HUD field office nearest you or contact:

U.S. Department of Housing and Urban Development
Office of Multifamily Housing
P.O. Box 6424
Rockville, MD 20850-6091
Telephone: 1-888-312-2743 (toll-free number)
Fax: (301) 738-6655
e-mail:neighborhood_net@aspensys.com