

Habitat's new controls concern some affiliates, including New Orleans: Requirements unprecedented

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A months-long effort by Habitat for Humanity International to retool relations with its 1,600 local affiliates has raised concerns in Habitat's productive operation in New Orleans, where volunteers have built more than 100 low-cost replacement homes since Hurricane Katrina.

The dispute recently surfaced publicly in Texas, when the San Antonio affiliate—the oldest in a far-flung Habitat organization—charged in federal court that Habitat for Humanity International sought to impose unprecedented controls on the local affiliates.

The suit said the international office warned affiliates that they could be stripped of the valuable “Habitat for Humanity” brand if they didn't agree to a new “U.S. Affiliate Agreement.”

Said Aleis Tusa, a spokesperson for the New Orleans Area Habitat for Humanity: “We do have concerns about the effects it has on us as an affiliate. We're talking with International. We're asking them to clarify some things so we can have a greater comfort level with the new agreement.”

The local Habitat chapter is perhaps the most visible housing nonprofit in the area—a major partner in Musicians Village, a cluster of volunteer-built, \$75,000 homes in the Upper Ninth Ward that has attracted thousands of volunteer builders and celebrity visitors. The organization has built 101 homes around the New Orleans area since Katrina hit in 2005—as many as had been built in the previous 21 years—and has 147 in various stages of construction now, Tusa said.

She declined to describe which elements of the proposed agreement local Habitat officials object to, but said she felt sure a rupture could be avoided. “We have every

hope they're going to address our concerns before we sign it," she said.

Founded in 1977, Habitat for Humanity is a confederation of Christian nonprofit ministries dedicated to building low-cost homes for the poor.

Until now, local affiliates have been almost completely autonomous. They do their own fund-raising, plan their own operations and are governed by their own boards of directors. The international office provides training and valuable marketing muscle that boosts donations.

The San Antonio lawsuit—the only window into the dispute so far—describes the historic relationship between affiliates and the international office as loose and highly decentralized. The Texans said they had been linked only by a brief written covenant that set forth broad Christian operating principles.

Under that arrangement, local groups have always been able to use the Habitat name, the San Antonio builders said. And although they were encouraged to tithe 10 percent of their income to the international office, many did not, keeping the money locally to build more homes.

The Texans said that after a leadership change in 2006, Habitat International embarked on a drive to centralize authority and redefine its relationships with affiliates. They said it is using a "commercial franchise" approach that could strip locals of control of their operations or threaten loss of the potent Habitat name.

Duane Bates, a spokesperson for Habitat International, said the ministries' increasing sophistication required a detailed new affiliate agreement to supplement the basic covenant that had been sufficient for a younger organization.

He denied that the new agreement would redistribute authority. Instead "it seeks to codify existing relationships between International and the affiliates," Bates said. He said most of Habitat's affiliates have agreed to sign the document.

Since Katrina, Habitat for Humanity International has funneled about \$20 million into New Orleans, while the local organization has raised another \$20 million, Tusa said.

Bates said that no matter what the outcome of talks between Habitat International and the local affiliate, the international office will send New Orleans every dollar earmarked for Katrina relief. "Habitat International, as a matter of standard policy, honors the wishes of its donors," he said. —*Bruce Nolan, Religion News Service*